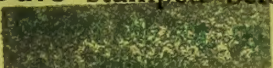


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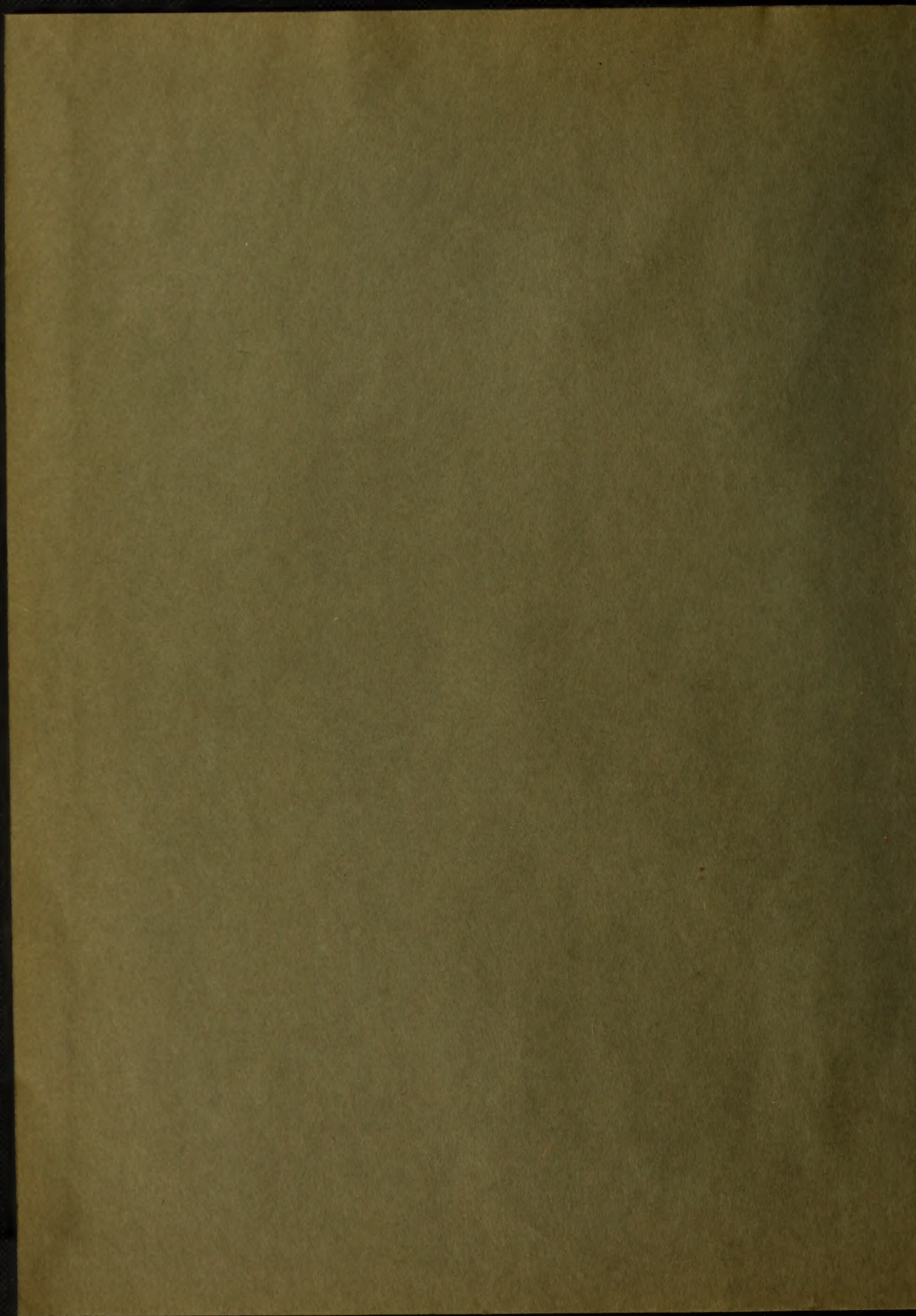

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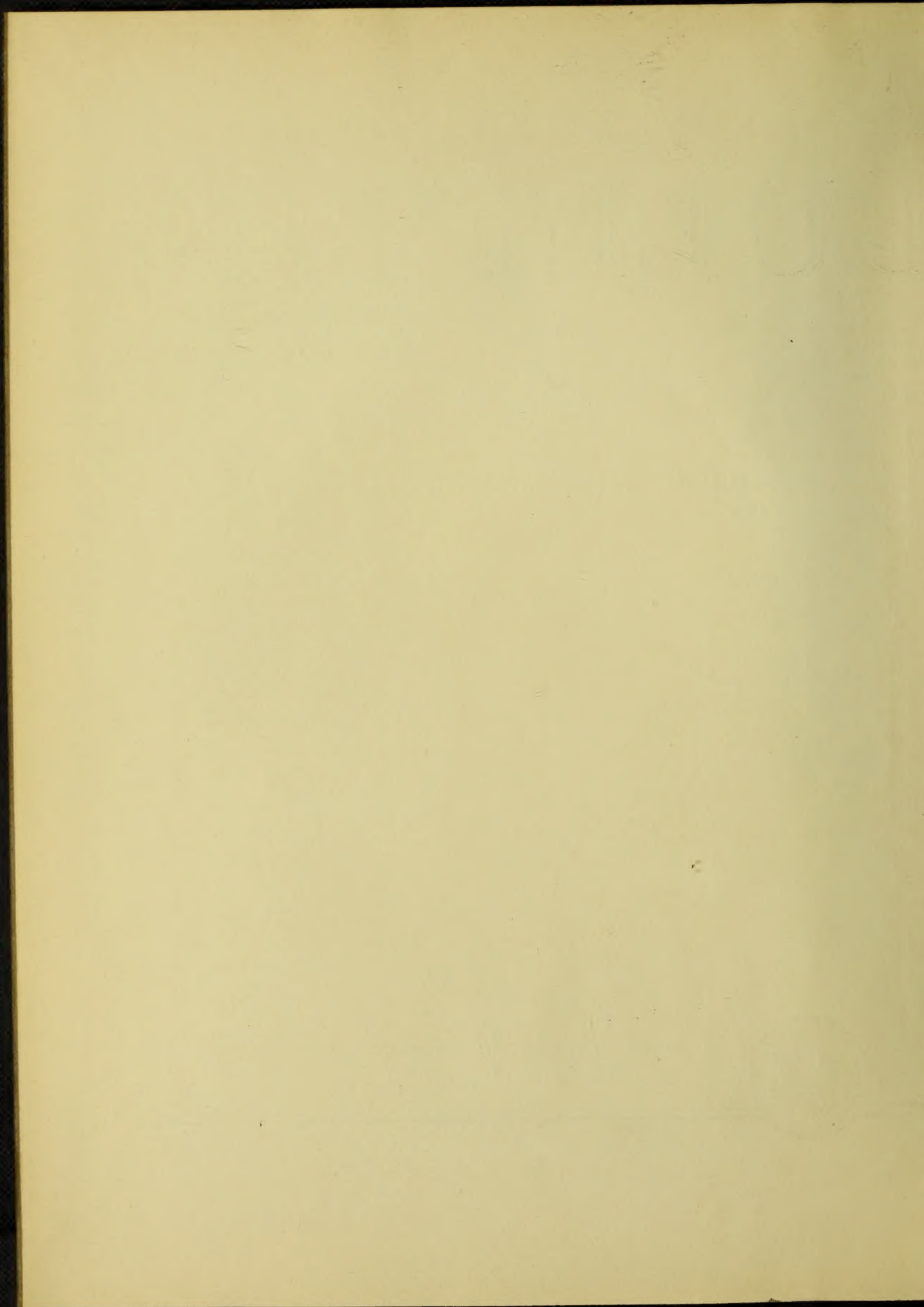
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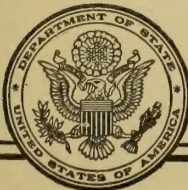
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The War

MUTUAL-AID AGREEMENT WITH POLAND

[Released to the press July 1]

An agreement between the Governments of the United States and Poland on the principles applying to mutual aid in the prosecution of the war was signed on July 1 by the Secretary of State and the Polish Ambassador, Jan Ciechanowski.

The provisions of the agreement are the same in all substantial respects as those of the agreements between this Government and the Governments of Great Britain, China, the Soviet Union, and Belgium¹ which likewise were negotiated under the Lend-Lease Act of March 11, 1941 providing for the extension of aid to any country whose defense is determined by the President to be vital to the defense of the United States.

This agreement provides added strength for the material and spiritual foundations of the liberty and welfare of all peoples, and it is a further expression of the determination of the United Nations to achieve ultimate victory.

The full text of the agreement follows:²

"Whereas the Governments of the United States of America and Poland declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

¹ *Bulletin* of February 28, 1942, p. 190; June 6, 1942, p. 507; June 13, 1942, p. 531; and June 20, 1942, p. 551, respectively.

² The text here printed conforms to the original.

"And whereas the Governments of the United States of America and Poland, as signatories of the Declaration by United Nations of January 1, 1942, have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

"And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941, that the defense of Poland against aggression is vital to the defense of the United States of America;

"And whereas the United States of America has extended and is continuing to extend to Poland aid in resisting aggression;

"And whereas it is expedient that the final determination of the terms and conditions upon which the Government of Poland receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and Poland and will promote the establishment and maintenance of world peace;

"And whereas the Governments of the United States of America and Poland are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which

shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of Poland have been performed, fulfilled or executed as required;

"The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

"ARTICLE I

"The Government of the United States of America will continue to supply the Government of Poland with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

"ARTICLE II

"The Government of Poland will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

"ARTICLE III

"The Government of Poland will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Government of Poland.

"ARTICLE IV

"If, as a result of the transfer to the Government of Poland of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Gov-

ernment of Poland will take such action or make such payment when requested to do so by the President of the United States of America.

"ARTICLE V

"The Government of Poland will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

"ARTICLE VI

"In the final determination of the benefits to be provided to the United States of America by the Government of Poland full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Government of Poland subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

"ARTICLE VII

"In the final determination of the benefits to be provided to the United States of America by the Government of Poland in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and Poland, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction

of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

"At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

"ARTICLE VIII

"This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

"Signed and sealed at Washington in duplicate this first day of July, 1942.

"For the Government of the United States of America:

CORDELL HULL

*Secretary of State of the
United States of America*

"For the Government of Poland:

JAN CIECHANOWSKI

*Ambassador of Poland
at Washington*

EXCHANGE OF DIPLOMATIC AND CONSULAR PERSONNEL AND OTHER NATIONALS

GERMAN VIOLATION OF EXCHANGE AGREEMENT

Released to the press July 11

The German Government has withdrawn the previously agreed safe conducts for future voyages of the S.S. *Drottningholm* between New York and Lisbon and has thereby violated the exchange agreement. This Government informed the German Government through the Swiss Government by note "that the German Government, by unilateral action, has violated

the agreement entered into between this Government and the German Government for the exchange of their nationals in that it has withdrawn the safe conduct previously given for the several round-trip voyages of the *Drottningholm* between New York and Lisbon. As the assurance of this safe conduct was an essential part of the Exchange Agreement between the two Governments, this Government must consider the agreement as terminated by the act of the German Government."

A list of officials and other nationals of the United States and of the other American republics who are returning on the second voyage of the S. S. *Drottningholm* from Lisbon has been issued as Department of State press release 327, of June 29, 1942.

ARGENTINE APPRECIATION FOR ASSISTANCE TO CREW OF "RIO TERCERO"

[Released to the press July 2]

The translation of a note addressed to the Secretary of State by the Argentine Ambassador in Washington, Señor Don Felipe A. Espil, follows:

"WASHINGTON, July 1, 1942.

"EXCELLENCY:

"I take pleasure in informing Your Excellency that from the investigations made in connection with the sinking of the steamer *Rio Tercero*, of Argentine flag, an action that occurred under circumstances which are public property, the prompt and decisive cooperation of the naval and air forces of the United States in the task of saving the victims from the said vessel, almost all of them of Argentine nationality, stands out clearly.

"My Government having been informed of the intervention mentioned, instructs me to present to Your Excellency its thanks for the aid rendered to the shipwrecked persons with such a cordial spirit of collaboration and friendship, which I take pleasure in putting on record.

"I avail myself [etc.] FELIPE A. ESPIL"

COMMODITIES ALLOCATED TO OTHER AMERICAN REPUBLICS

[Released to the press July 11]

The Government of the United States, following a general plan pursued in the first and second quarters of this year and in accordance with the policy of close inter-American cooperation, has announced in Washington a list of commodities allocated to the other American republics for the third quarter of 1942. This announcement was made jointly by the Department of State, the War Production Board, and the Board of Economic Warfare.

The announced list comprises the following materials: Acetic acid; acetone; aconite; ammonium sulphate; anhydrous ammonia; aniline; ascorbic acid; bauxite; belladonna leaves; belladonna root; beryl and beryllium; cadmium;

camphor; carbon tetrachloride; castor oil; chlorine; citric acid; cobalt; copper; cotton linters; diamond dies; dibutyl phthalate; digitalis; dynamite; electrodes, carbon; electrodes, graphite; ergot; fluorspar; formaldehyde; glycerin; graphite, natural amorphous; insulin; ipecac; lead; leather; ferromanganese; mercury; methanol; ferromolybdenum; naphthalene; neat's-foot oil; phenol; phosphorus; phthalic anhydride; platinum and allied metals; potassium permanganate; procaine; rayon (filament yard); red squill; strontium chemicals; sulfaguanidine; sulfanilamide; sulfuric acid; superphosphate; thiamin hydrochloride; toluol; ferrotungsten; uranium salts and compounds; ferrovanadium; and zinc.

The third-quarter allocations for iron and steel and additional commodities will be announced shortly.

International Conferences, Commissions, Etc.

INTER-AMERICAN CONFERENCE ON SYSTEMS OF ECONOMIC AND FINANCIAL CONTROL

ADDRESS BY THE UNDER SECRETARY OF STATE¹

[Released to the press June 30]

DELEGATES TO THE INTER-AMERICAN CONFERENCE ON SYSTEMS OF ECONOMIC AND FINANCIAL CONTROL, YOUR EXCELLENCIES, LADIES AND GENTLEMEN:

It is a source of great pleasure to me to extend to all of you on behalf of the Inter-American Financial and Economic Advisory Committee a cordial welcome to this Inter-American Conference on Systems of Economic and Financial Control.

Once again the 21 American republics are meeting in conference in order still further to fortify their solidarity, still further to

strengthen their common purpose to maintain this hemisphere forever free from any encroachment upon the independence of the peoples of the Americas, and as a citadel of human liberty.

We are confronting an attack upon the New World which is being waged by the Axis powers on every front upon which they can muster their forces of treachery and of deceit.

For this war is not being fought today on the military front alone. We, the free nations of America, are today faced with the supreme and historic mission of repelling a total assault on our freedom and our integrity, an assault that is being carried on not only by pirate submarine and military arms but also by the colonies of subversive agents on the sovereign soil of each

¹ Delivered by Mr. Welles at the Pan American Union, June 30, 1942.

one of our countries. These human termites, carrying out the will of their Axis masters, have been gnawing for a long time, not only at the foundations of our inter-American system but also at the foundations of the economic structure that maintains us whole. It is for the purpose of completing and integrating controls that have already been established to thwart and to stamp out their activities that this meeting of technical experts from our 21 American republics is convened in Washington today.

Even by the time that the Ministers of Foreign Affairs met at Rio de Janeiro to consult on measures for the common defense of our nations some measures had already been adopted by the American republics to control the exportation or re-exportation of merchandise, to restrict and control financial and commercial transactions with the nations signatory to the Tripartite Pact and the territories dominated by them, and to curb other alien economic activities prejudicial to the welfare of the Western Hemisphere.

At that meeting the representatives of the American governments laid down, in resolution V, an outline of the general nature and objective of commercial and financial controls that they were unanimous in believing should be established in order to defend the hemisphere against the encroachments of the sinister fifth columns that were operating in advance of the Axis military forces. At that time they recommended for immediate adoption "any additional measures necessary to cut off for the duration of the present Hemispheric emergency all commercial and financial intercourse, direct or indirect, between the Western Hemisphere and the nations signatory to the Tripartite Pact and the territories dominated by them;" and also "measures to eliminate all other financial and commercial activities prejudicial to the welfare and security of the American Republics . . ."

The Ministers of Foreign Affairs at their meeting in Rio de Janeiro recognized, however, that in order to make such controls as they recommended effective against the Axis fifth column in the Western Hemisphere it would be necessary that the financial authorities charged

with the administration of such controls in each of the American republics should meet together to consult with each other, in order to exchange information and to pool their experience. It would be necessary to work out the details of joint procedures that would altogether eliminate the financial and commercial maneuvers by which the tools of the German and Italian and Japanese warlords, operating in this hemisphere, seek to reduce our defenses and endeavor to prepare the way for our subjugation. It was with this in view that the Meeting in Rio de Janeiro recommended the convocation of this present Inter-American Conference on Systems of Economic and Financial Control.

The historic task that now confronts the peoples of America, the task of defending the traditional freedom of the American continent against attack from abroad, cannot be accomplished by military means alone. We must be no less resolute in measures to counter the economic assault than in the measures we are taking to meet the military threat. The soil of our own continent is one of the great battlefields of this war. On it we are fighting—and fighting with increasing success—the enemy who has insinuated himself in our midst.

Delegates to this conference, the decisions that are made by you here at this conference and the actions of our governments in carrying out those decisions are of the utmost consequence in assisting in the creation of the assurance that the American continent shall continue to maintain its liberties and its independence. It is a solemn mission with which this conference is charged. I have faith that that mission will be fulfilled in a manner worthy of the spirit that has nurtured and defended the freedom of the Americas throughout the term of our independent life.

Upon you rests a responsibility to provide implements for the willing hands that are fighting today the economic battles to preserve our solidarity. I voice the hope of millions when I express the firm conviction that in this critical moment your vision, your leadership, and your high devotion will not be found wanting.

Commercial Policy

MEMORANDUM OF AGREEMENT REGARDING INTERNATIONAL TRADE IN WHEAT

[Released to the press July 1]

The Wheat Meeting recently held in Washington has resulted in the approval by the Governments of Argentina, Australia, Canada, the United Kingdom, and the United States of a Memorandum of Agreement as a first step toward the conclusion as soon as circumstances permit of a comprehensive international wheat agreement.

The Washington Wheat Meeting comprised officials of five of the ten countries which participated in the work of the Preparatory Committee established by the International Wheat Advisory Committee at London in January 1939. The work of the Preparatory Committee was near completion when war broke out in September 1939. The war aggravated in several important respects the world wheat problem, and, following an exchange of views between their Governments, officials of Argentina, Australia, Canada, the United Kingdom, and the United States met in Washington on July 10, 1941,¹ to resume the discussions which were interrupted by the outbreak of war. They submitted to their Governments a preliminary report in August 1941,² reconvened in October, and have met at frequent intervals since then to carry on their discussions.³

The Memorandum of Agreement now concluded provides for the convening by the United States, when the time is deemed propitious, of a conference of all the nations having a substantial interest in wheat, whether as consumers or producers; and there is attached to it for consideration at that conference a draft convention

prepared by the Washington Wheat Meeting. In the meantime the Memorandum of Agreement requires the adoption and maintenance on the part of the four exporting countries of positive measures to control production with the object of minimizing the accumulation of excessive stocks during the war.

The Memorandum of Agreement provides also for the immediate establishment of a pool of wheat for intergovernmental relief in war-stricken and other necessitous areas as soon as the international situation permits. It brings into operation the arrangements in the draft convention for contributions to a pool, as they may be required, of 100 million bushels and additional quantities to be determined as the extent of the need becomes known.

In order to prevent disorganization and confusion immediately after the war and pending the conclusion of a comprehensive international wheat agreement, the present Memorandum provides for bringing into operation for a limited period the provisions of the draft convention relating to the control by the four exporting countries of production, stocks, and exports and for cooperation by all five countries in stabilizing prices.

The approval of the five Governments was notified by the Government of the United States to the other four Governments on June 27 and, in accordance with the minutes of the final session of the Washington Wheat Meeting, the provisions of the Memorandum of Agreement came into effect on that date.

The texts of the Memorandum of Agreement, including the draft convention, and of the minutes of the final session of the Washington Wheat Meeting are printed below.

¹ *Bulletin* of July 12, 1941, p. 23.

² *Ibid.*, August 9, 1941, p. 116.

³ *Ibid.*, October 18, 1941, p. 302.

MEMORANDUM OF AGREEMENT

1. Officials of Argentina, Australia, Canada and the United States, wheat exporting countries, and of the United Kingdom, a wheat importing country, met in Washington on July 10, 1941 to resume the wheat discussions which were interrupted in London by the outbreak of war in September 1939 and to consider what steps might be taken toward a solution of the international wheat problem.

2. The discussions at Washington, which extended over a period of many months, have made it clear that a satisfactory solution of the problem requires an international wheat agreement and that such an agreement requires a conference of the nations willing to participate which have a substantial interest in international trade in wheat. It was also recognized that pending the holding of such a conference the situation should not be allowed to deteriorate. The Washington Wheat Meeting has recorded the results of its deliberations in the attached Draft Convention in order to facilitate further international consideration of the subject at such time as may be possible and to provide a basis for such interim measures as may be found necessary.

3. The Washington Wheat Meeting has recognized that it is impracticable to convene at the present time the international wheat conference referred to above. Accordingly, the five countries present at that Meeting have agreed that the United States, so soon as after consultation with other countries it deems the time propitious, should convene a wheat conference of the nations having a substantial interest in international trade in wheat which are willing to participate, and that the Draft Convention above mentioned should be submitted to that conference for consideration.

4. In the meantime there should be no delay in the provision of wheat for relief in war-stricken and other necessitous areas so soon as in the view of the five countries circumstances permit. Likewise it is imperative that the absence

of control measures over the accumulation of stocks in the four countries now producing large quantities of wheat for markets no longer available should not create insoluble problems for a future conference. Accordingly, the five countries have agreed to regard as in effect among themselves, pending the conclusions of the conference referred to above, those arrangements described in the attached Draft Convention which are necessary to the administration and distribution of the relief pool of wheat and to the control of production of wheat other than those involving the control of exports.

5. If the conference contemplated above shall have met and concluded an agreement prior to the cessation of hostilities, no further action will be needed by the countries represented at the Washington Meeting. However, if this is not the case, it will be necessary, in order to prevent disorganization and confusion in international trade in wheat, to institute temporary controls pending the conclusions of the conference. Accordingly the five countries agree that in the period following the cessation of hostilities and pending the conclusion of a wheat agreement at the conference referred to the arrangements described in the attached Draft Convention which relate to the control of production, stocks and exports of wheat and to the administration thereof will be brought into effect among themselves. Those arrangements will come into effect on such date as may be unanimously agreed. Announcement of that date will be made within six months after the cessation of hostilities.

6. Pending the conclusions of the conference contemplated above, the five countries, on the cessation of hostilities or such earlier date as they may agree, will regard as in effect among themselves the arrangements described in the attached Draft Convention for the control of the prices of wheat. The determination of prices required to be made in accordance with those arrangements will be made by unanimous consent. If no determination of prices has been made on the cessation of hostilities, the five countries will, pending such determination but

for a period not exceeding six months, maintain as the export price of wheat the last price negotiated by the United Kingdom for a bulk purchase of wheat from the principal country of supply; equivalent f. o. b. prices will be calculated for wheats of the other exporting countries and will be adjusted from time to time to meet substantial changes in freight and exchange rates.

7. In taking any decisions under this Memorandum and the arrangements of the Draft Convention which it brings into operation each of the five countries will have one vote and a two-thirds majority will be required for decision except as otherwise provided herein.

8. The provisions of this Memorandum will be superseded by any agreement reached at the proposed wheat conference or by any arrangements which the five countries and other interested countries may make to deal with the period pending such a conference. In any event they are to terminate two years from the cessation of hostilities.

A. M. V.

For Argentina

E. McC.

For Australia

C. F. W.

For Canada

H. F. C.

For the United Kingdom

L. A. W.

For the United States

WASHINGTON, April 22, 1942.

DRAFT CONVENTION

PREAMBLE

1. The prospects with regard to the production and marketing of wheat are such that accumulation of wheat surpluses threatens to result in grave post-war difficulties for the economies of the producing countries and hence, because of the interdependence of nations, for the economies of all countries. It is also to be expected that, unless appropriate action is taken, such accumulation will recur.

2. A solution of the problem thus presented must be regarded as an essential part of any program of world economic reconstruction and will call for cooperative action by all countries concerned in international trade in wheat. It will involve national and international measures for the regulation of wheat production in both exporting and importing countries, for the orderly distribution of wheat and flour in domestic and international trade at such prices as are fair to consumers and provide a reasonable remuneration to producers and for the maintenance of world supplies which shall be at all times ample for the needs of consumers without being so excessive as to create a world burden of unwanted surpluses.

3. Cooperative action is also necessary to meet the need for relief in the war-stricken areas of the world by the supply and distribution of gifts of wheat.

4. The benefits of abundant world supplies of wheat cannot be assured to consumers unless there is a substantial decrease in uneconomic incentives to high-cost production, a lowering of barriers to world trade and the charging of prices to consumers not substantially higher than the price of wheat in international trade.

5. In many countries the standard of living would be improved by increasing the consumption of wheat through a lowering of prices. In all countries the standard of living would be improved by stimulating the consumption of foods rich in vitamins, proteins and minerals. The increased production of such foods would offer a more valuable use for land which has at times been used uneconomically for high-cost production of wheat.

6. Producers of an international commodity such as wheat are directly affected by standards of living throughout the world, by international purchasing power and by prevailing policies and practices affecting international trade generally. There can be no basic solution of the problem of export surpluses without a general reduction of import barriers and no measure should be taken or maintained which has the effect of retarding such reduction or of preventing in any way the fullest possible development of international trade.

Accordingly the contracting Governments have agreed as follows:

ARTICLE I (EXPANSION OF TRADE)

1. The contracting Governments agree that an essential element of a solution of the world wheat problem is that consumers should have the opportunity and means of increasing their purchases of wheat from areas which are equipped to produce it economically. They agree that such opportunity and means depend not only on the lowering of barriers to the importation of wheat but also on making available to wheat importing countries increased outlets for the exportation of goods which they in turn are equipped to produce economically. They agree that this requires the adoption and pursuit of national and international policies aimed at a fuller and more efficient use among nations of human and natural resources and thereby a world-wide expansion of purchasing power.

2. Recognizing therefore that much that is called for transcends the scope of a wheat agreement and requires action on a broad international basis, but that much also can be accomplished by national measures and by agreements with each other and with other countries, the contracting Governments undertake to further in every way possible the attainment of the foregoing objectives.

3. The Council shall from time to time submit to the contracting Governments a review of international trade in wheat and invite them to consider, in the light of the foregoing, what measures may be adopted for the expansion of such trade.

ARTICLE II (PRODUCTION CONTROL)*

1. The Governments of Argentina, Australia, Canada and the United States of America shall adopt suitable measures to ensure that the production of wheat in their territories does not exceed the quantity needed for domestic re-

quirements and the basic export quotas and maximum reserve stocks for which provision is hereinafter made.

2. Should nevertheless production in any country be found to have exceeded in any crop-year the quantity above prescribed, the Government of that country shall before the end of that crop-year take such action as will result in the disappearance of the excess production within its territories before the end of the following crop-year or shall otherwise deal with such excess production as the Council may direct, except that if any part of the excess production is shown to the satisfaction of the Council to be due to a yield above the average of the preceding 20 years the Government of the country concerned may carry that part as provided in paragraph 3 (a) of Article III or deal with it in such other manner as may be agreed with the Council.

3. Pending the coming into force of paragraphs 1 and 2 of this Article, the Governments of Argentina, Australia, Canada and the United States of America shall adopt or maintain positive measures to control production with the object of minimizing the accumulation of excessive stocks.

ARTICLE III (STOCKS)

1. The Governments of Argentina, Australia, Canada and the United States of America shall, subject to the provisions of paragraphs 2, 3, 4 and 5 of this Article, ensure that stocks of old wheat held at the end of their respective crop-years are not less than 35, 25, 80 and 150 million bushels respectively, and not more than 130, 80, 275 and 400 million bushels respectively. Any stocks not in excess of the specified maximum are hereinafter called "reserve stocks".

2. Stocks of old wheat in any country may be permitted to fall below the specified minimum (a) if the new crop together with the carry-over from the previous crop-year is insufficient to meet domestic requirements and leave at the end of that crop-year the minimum reserve stocks specified, in which case those stocks may be reduced by the amount necessary fully to meet domestic requirements, and (b) in so far as the Council decides that exports from

*NOTE: This Article to be expanded, when further international consideration of the subject is possible, to include provisions for production control in other exporting countries and in importing countries. [Footnote in original.]

the minimum reserve stocks of that country are required fully to meet the world demand for imported wheat.

3. Stocks of old wheat may exceed the maximum by (a) the quantity of permitted excess stocks ascertained under paragraph 4 of this Article and (b) the quantity of permitted surplus stocks ascertained under paragraph 5 of this Article.

4. Such part of excess production in the first crop-year in which it occurs following the crop-year in which Article IV comes into force as may be shown under paragraph 2 of Article II to be due to above average yields shall be permitted excess stocks at the end of that crop-year. The permitted excess stocks at the end of each succeeding crop-year shall be ascertained by the Council by deducting from the permitted excess stocks, if any, at the end of the preceding crop-year any quantity by which production in the crop-year then ending was less than the maximum prescribed in paragraph 1 of Article II or by adding thereto such part of any excess production in that crop-year as may be shown under paragraph 2 of Article II to be due to above average yields.

5. Stocks in excess of the maximum, as ascertained by the Council, at the end of the crop-year in which announcement is made of the date on which the provisions of Articles II, III and IV will come into effect shall be permitted surplus stocks, unless that announcement is made less than 45 days prior to the beginning of the seeding period for the next harvest in which case stocks in excess of the maximum at the end of the succeeding crop-year shall be permitted surplus stocks. Permitted surplus stocks at the end of each succeeding crop-year shall be ascertained by the Council by deducting from the permitted surplus stocks at the end of the preceding crop-year (a) any secondary or supplementary export quotas allocated in the crop-year then ending and (b) any quantity by which production in that crop-year plus the permitted excess stocks at the end of the preceding crop-year was less than the maximum production prescribed in paragraph 1 of Article II.

6. Should it be shown to the satisfaction of the Council that, owing to insufficient or defective storage facilities, any part of the permitted surplus stocks in any country has been destroyed or has been disposed of by governmental measures in a manner clearly constituting extraordinary use such part shall nevertheless be counted as permitted surplus stocks for the purposes of paragraphs 3 and 4 of Article IV so long as any other permitted surplus stocks remain in that country.

7. The Council shall—

(a) at its regular August meeting ascertain the permitted surplus stocks in Canada and the United States of America at the end of their preceding crop-years and estimate such stocks in Argentina and Australia at the end of their current crop-years and

(b) at its regular January meeting ascertain the permitted surplus stocks in Argentina and Australia at the end of their preceding crop-years and estimate such stocks in Canada and the United States of America at the end of their current crop-years.

ARTICLE IV (EXPORT CONTROL)

1. The contracting Government of each exporting country shall adopt the measures necessary to ensure that net exports of wheat, including flour expressed in terms of its wheat equivalent, from its territories in each quota-year shall not, subject to the provisions of paragraph 11 of this Article, exceed the basic, secondary and supplementary export quotas for which provision is hereinafter made. It is recognized in principle that, within the framework of this Agreement, wheat from each exporting country should continue to find its way into its normal markets.

2. The basic export quotas for Argentina, Australia, Canada and the United States of America shall, subject to the provisions of paragraph 3 of this Article, be 25, 19, 40 and 16 percent respectively of the Council's latest published estimate of the total volume of international trade in wheat and flour in each quota-year less (a) such basic export quotas for other

exporting countries as may be agreed under Article XIV and (b) reasonable allowances, having due regard to exports in past years, for net exports from the territories of Governments not parties to the Agreement.

3. Should the residual quantity ascertained under paragraph 2 of this Article exceed 500 million bushels in any quota-year, the excess shall be allocated to Argentina, Australia, Canada and the United States of America as secondary export quotas. Allocations made in the first half of the quota-year shall be in proportion to permitted surplus stocks as determined under paragraph 7 (a) of Article III and allocations made in the second half of the quota-year shall be in proportion to permitted surplus stocks as determined under paragraph 7 (b) of Article III. Should there be no permitted surplus stocks in any of those four countries the excess shall be allocated to those countries as secondary export quotas in proportion to their basic export quotas.

4. If the Council is satisfied that any part of any country's export quota or of the allowance made for its exports for any quota-year will not be exported by that country in that quota-year, it shall, subject to the provisions of paragraph 6 of this Article, re-allocate that part as supplementary export quotas to the other exporting countries in accordance with the procedure prescribed in paragraph 3 of this Article for the allocation of secondary export quotas. Should there be no permitted surplus stocks in any of those countries that part shall, unless the Council otherwise decides, be re-allocated as supplementary export quotas to those of the other exporting countries which have percentage export quotas in proportion to those quotas.

5. No decisions taken by the Council pursuant to paragraph 4 of this Article shall prejudice the right of any country to export its full export quota within the quota-year to which it relates.

6. Should it be shown to the satisfaction of the Council that the failure of any country to ship any part of its export quota during the first quota-year is due to shortage of shipping, the amount of the supplementary export quotas allocated to other countries in respect of such

part shall be deducted from the basic export quotas of those countries for the second quota-year and added to the aforementioned country's basic export quota for the second quota-year.

7. No export quota or part thereof shall be exported in any quota-year other than that to which it relates, except as otherwise provided in this Article. Should it nevertheless be shown to the satisfaction of the Council that, owing to unavoidable delay in the arrival or departure of ships, part of an export quota had not been shipped at the end of the quota-year that part may be shipped in the following quota-year but shall be deemed to have been shipped in the quota-year to which it relates.

8. No export quota or part thereof shall be ceded, transferred or loaned by any country except as provided in this Article or with the unanimous approval of the contracting Governments of exporting countries.

9. When it appears that any country is approaching the limit of its export quota, the Chairman of the Council on the recommendation of the Executive Committee shall request the Government of that country to control loadings for export during the remainder of the quota-year and to telegraph each week to the Council the gross exports and gross imports of wheat and of wheat flour from and into its territories during the preceding week.

10. When the Chairman of the Council after consultation with the Executive Committee finds that any country has exported its export quota for any quota-year he shall immediately make a declaration to that effect. The contracting Government of the exporting country concerned shall thereupon announce that the exportation of wheat or flour from its territories will not be permitted after seven days from the date of the Chairman's declaration and the contracting Government of each importing country shall not permit the importation into its territories of wheat or flour shipped from that exporting country during the current quota-year more than seven days after the date of the Chairman's declaration.

11. Should it be found that, owing to practical difficulties of closely controlling shipments, exports from any country have exceeded its export quota, that country shall not be deemed to have infringed the provisions of paragraph 1 of this Article so long as the excess is not more than 5 percent of the quota, but the amount of that excess up to 3 percent of the quota and three times the amount of that excess above 3 percent of the quota shall be deducted from that country's export quota for the following quota-year.

12. The contracting Governments recognize that international trade in wheat should be distributed on a fair and equitable basis among all countries which export wheat and they agree that the effective operation of the Agreement should not be impaired by abnormal exports from countries that have not acceded to it. Accordingly the contracting Governments shall cooperate in taking, on the advice of the Council, such practicable measures as may be necessary to attain this end.

ARTICLE V (PRICE CONTROL)

1. The Council shall fix and publish prior to the coming into force of Article IV and thereafter at each regular August meeting a basic minimum price and a basic maximum price of wheat, c.i.f. United Kingdom ports, and schedules of prices, c.i.f. and/or f.o.b., equivalent thereto for the various wheats sold in world markets. These prices shall take effect on such date as may be determined by the Council and shall remain in force until the effective date of the prices fixed by the Council at its next regular August meeting but shall be subject to such adjustments as the Council may find necessary to meet substantial changes in freight or exchange rates or as may be made in accordance with the provisions of paragraph 3 of this Article.

2. The prices fixed under paragraph 1 of this Article shall be such as will in the opinion of the Council (a) return reasonably remunerative prices to producers in exporting countries, (b) be fair to consumers in importing countries, (c) be in reasonable relationship to prices of other commodities and (d) make appropriate allowance for exchange rates and transportation costs.

3. Should the Council so decide the basic minimum and maximum prices of wheat and the schedules of prices equivalent thereto shall be adjusted at monthly or other intervals to allow for carrying charges.

4. The Governments of Argentina, Australia, Canada and the United States of America shall not, after the coming into force of paragraph 1 of this Article, sell or permit the sale of wheat for export, or to millers for producing flour for export, at prices below the minimum equivalents fixed by the Council under paragraph 1 or 3 of this Article.

5. The Governments of Argentina, Australia, Canada and the United States of America shall ensure that wheat for export is at all times on sale at f.o.b. prices not in excess of the maximum equivalents fixed by the Council under paragraph 1 or 3 of this Article.

ARTICLE VI (RELIEF POOL)

1. The Governments of Argentina, Australia, Canada, the United Kingdom and the United States of America shall establish a pool of wheat which will be available for intergovernmental relief in war-stricken countries and other necessitous areas of the world, where circumstances in the view of those Governments make such relief practicable.

2. The Governments of Canada, the United Kingdom and the United States of America shall give to the pool, as and when required by the Council, 25, 25 and 50 million bushels respectively of wheat, or its equivalent in whole or part in flour, f.o.b. seaboard port in the country of origin.

3. The Governments of Argentina, Australia, Canada and the United States of America shall, as and when required by the Council, give to the pool in addition to the contributions prescribed in paragraph 2 of this Article a quantity of wheat or its equivalent in whole or part in flour, f.o.b. seaboard port, to be determined by them in consultation with the Council and on such basis as may be agreed among them.

4. The Council shall be responsible for the administration of the relief pool and shall, wherever possible, arrange for the distribution of relief wheat through such intergovernmental

relief body as may be set up and given general responsibility for the distribution of relief. Should the Council decide to make relief wheat or flour available to any necessitous area in which the intergovernmental relief body has not the organization necessary for the distribution of such wheat or flour the Council shall arrange with the appropriate authorities to distribute such wheat or flour in that area. Any arrangements for the distribution of relief wheat shall be such as to minimize, so far as the provision of sufficient relief permits, the reduction of the effective demand for wheat on sale.

5. The United Kingdom Government may, if so agreed by the Council after consultation with the intergovernmental relief body, contribute transportation of relief wheat or flour in lieu of part or all of its contribution under paragraph 2 of this Article.

6. Any contributing Government shall, if the Council after consultation with the intergovernmental relief body so requests and upon such terms of replacement as may be agreed with the Council, make, pending the arrival of contributions by other Governments, advances of such wheat or flour as that Government may consider practicable to release for immediate relief.

7. Should the Council consider or be advised by the intergovernmental relief body that the quantity of relief wheat contributed under paragraphs 2, 3 and 5 of this Article appears likely to prove insufficient, the Council shall make recommendations to the contracting Governments regarding additional contributions.

8. The Council shall instruct the Executive Committee (a) to facilitate the transfer of relief wheat and flour from the national wheat-handling organizations of the contributing Governments to the intergovernmental relief body, (b) to maintain effective liaison between the national wheat-handling and shipping organizations of the contributing Governments and international shipping and transport controls and (c) generally to consult with the intergovernmental relief body regarding all transactions relating to the relief pool.

9. Should the Council receive, at any time after the completion of the relief to which the

provisions of paragraphs 1 to 8 of this Article relate, an appeal for relief wheat or flour from any Government to relieve famine in any area within the jurisdiction of that Government, the Council shall investigate the possibilities of meeting such an appeal and report to the contracting Governments its findings together with its recommendations.

ARTICLE VII (THE COUNCIL)*

1. This Agreement shall be administered by an International Wheat Council consisting of one or more delegates of each contracting Government.

2. The Council shall have the powers specifically assigned to it under the Agreement and such other powers as are necessary for the effective operation of the Agreement and for the carrying out of its provisions.

3. The Council may, by unanimity of the votes cast, delegate the exercise of any of its powers or functions to such persons or bodies as it thinks fit.

4. The Council shall elect, for such periods and upon such conditions as it may determine, a Chairman and a Vice Chairman, who need not be delegates of contracting Governments.

5. The Council shall appoint a Secretary and such other employees as it considers necessary and determine their powers, duties, compensation and duration of employment.

6. The seat of the Council shall be in London unless the Council should otherwise determine.

7. The Council shall meet in January and August of each year and at such other times as it may determine. The Chairman shall convene a meeting of the Council if so requested (a) by the Executive Committee or (b) by the delegates of five contracting Governments or (c) by the delegates of contracting Governments with a total of not less than ----- votes.

8. Notices of all meetings shall be dispatched so as to ensure receipt by delegations of contracting Governments at least fourteen days in advance of the date fixed for the meeting.

*NOTE: This Article to be expanded, when further international consideration of the subject is possible, to include provisions for voting. [Footnote in original.]

9. Any contracting Government may designate the delegation of any other contracting Government to represent it and to vote on its behalf at any meeting of the Council or on any particular question. The terms of any such delegation of authority shall be communicated in writing by the delegating Government to the Chairman of the Council.

10. The Council may take decisions, without holding a meeting, by correspondence between the Chairman and the delegations of the contracting Governments, unless any delegation objects. Any decisions so taken shall be communicated forthwith to all the delegations and shall be recorded in the Minutes of the next meeting of the Council.

11. The Council shall make at the earliest practicable date all possible arrangements with international shipping controls to facilitate the exportation of wheat.

12. The Council shall instruct the Executive Committee (a) to cooperate with bodies engaged in the task of improving human nutrition, (b) to investigate the possibilities of increasing wheat consumption and (c) to examine and report upon any proposals made to the Council by any contracting Government designed to facilitate the attainment of the objectives of the Agreement.

13. The Council shall ascertain and make public the carry-over of wheat in Argentina, Australia, Canada and the United States of America at the end of each of their respective crop-years.

14. The Council shall, upon the request of any contracting Government of an exporting country, investigate the possibility of meeting the needs of that country for wheat storage facilities to maintain in a good state of preservation such stocks of wheat as may accumulate prior to the coming into force of Article IV. The Council shall report to the contracting Governments its findings together with its recommendations.

15. The Council shall at its regular August meeting make and publish, with such detail as it considers desirable, an estimate of the total volume of international trade in wheat and flour in the current quota-year and shall from time to time review that estimate and publish such revised estimates as it may make.

16. The Council shall publish an annual report on the operation of the Agreement which shall include a summary of relevant statistics and such other material as the Council may determine. The Council may authorize the publication of such other reports as it considers appropriate. Reports shall be published in English and in any other languages that the Council may determine.

17. Pending the establishment of the Executive Committee under Article VIII, the Council shall itself perform the functions assigned by the Agreement to that Committee.

18. The Council may arrange to take over the assets and liabilities of the Wheat Advisory Committee upon the dissolution of that body on such terms as may be agreed with it.

ARTICLE VIII (THE EXECUTIVE COMMITTEE)

1. The Council shall, when it considers it desirable to do so, establish an Executive Committee which shall work under its general direction.

2. The Chairman of the Executive Committee shall be appointed by the Council for such period and upon such conditions as it may determine. He need not be a delegate of a contracting Government to the Council or a member of the Committee.

3. The Secretary of the Council shall be the Secretary of the Executive Committee.

4. In addition to the specific duties for which provision is made in this Agreement, the Executive Committee shall be charged with the general duty of keeping under review the working of the Agreement and of reporting to the Council from time to time on the manner in

which the provisions of the Agreement are being carried out.

5. The Executive Committee may be convened at any time by its Chairman.

6. The decisions of the Executive Committee shall be taken by a simple majority of the total votes held by its members.

ARTICLE IX (REPORTS TO THE COUNCIL)

1. Each contracting Government shall make to the Council such reports as the Council may from time to time request on the action which that Government has taken to carry out the provisions of this Agreement.

2. Each contracting Government shall upon request telegraph each month to the Council the gross exports and gross imports of wheat and of wheat flour from and into its territories in the preceding month, and shall supply such other information as the Council may from time to time request for the purposes of the Agreement.

ARTICLE X (FINANCE)

1. The contracting Governments shall share proportionally to the votes which they hold in the Council any expenses incurred by the Council in administering this Agreement.

2. The Council shall at its first meeting approve its budget for the period prior to the first day of the month of August after its first regular January meeting and assess the contribution to be paid by each contracting Government for that period.

3. The Council shall at each regular January meeting approve its budget for the following August-July period and assess the contribution to be paid by each contracting Government for that period.

4. The initial contribution of any Government acceding to the Agreement after the first meeting of the Council shall be assessed proportionally to the number of its votes in the Council and to the number of full months between its

accession and the beginning of the first August-July period for which it is assessed under the provisions of paragraph 3 of this Article, but the assessments already made upon other Governments shall remain unaltered.

5. The Council shall publish an audited statement of all moneys received and paid out during the period referred to in paragraph 2 of this Article and during each August-July period thereafter.

6. Consideration shall be given by each contracting Government to the possibility of according to the funds of the Council and to the salaries paid by the Council to its employees who are nationals of other countries treatment in respect of taxation and of foreign exchange control no less favourable than that accorded by such Government to the funds of any other Government and to salaries paid by any other Government to any of its accredited representatives who are its nationals.

7. The Council shall determine the disposal, on the termination of the Agreement, of any funds which remain after meeting its obligations.

ARTICLE XI (DATE UPON WHICH THE AGREEMENT COMES INTO FORCE)*

ARTICLE XII (DURATION OF THE AGREEMENT)

This Agreement shall remain in force for four years after the last day of the month of July following the date upon which it comes into force. The Council shall inquire of the contracting Governments at least six months before the Agreement is due to expire whether they desire to continue it and shall report to the contracting Governments the results of such inquiry together with its recommendations.

*NOTE: The text of this Article to be determined when further international consideration of the subject is possible. [Footnote in original.]

ARTICLE XIII (RELATION TO OTHER AGREEMENTS)

1. So long as this Agreement remains in force it shall prevail over any provisions inconsistent therewith which may be contained in any other agreement previously concluded between any of the contracting Governments.

2. Should any contracting Government be party to an agreement with a non-contracting Government containing any provision inconsistent with this Agreement, that contracting Government shall take all reasonable steps to procure the necessary amendment of such agreement at the earliest date which it deems practicable.

ARTICLE XIV (ACCESSIONS)

This Agreement shall at any time be open to accession by the Government of any country on the terms contained therein so far as they are applicable to that Government and on such other terms not inconsistent therewith as may be agreed with the Council. It shall accede as the Government either of an exporting country or of an importing country as may be agreed with the Council and if it accedes as the Government of an exporting country it shall have such basic export quota as may be agreed with the Council.

ARTICLE XV (WITHDRAWALS)

1. The contracting Government of any country which considers its national security endangered as a result of hostilities may apply to the Council for the suspension of any of its obligations under Articles II, III, IV and V of this Agreement. If the application is not granted within 30 days after the date thereof, such Government may within 15 days after the end of that period withdraw from the Agreement on written notice to the Council.

2. If it is shown to the satisfaction of the Council that the Government of Argentina, of Australia, of Canada or of the United States of America has failed to carry out its obligations under paragraph 1 of Article IV or paragraph 4 of Article V, the contracting Government of any

exporting country may within 90 days withdraw from the Agreement on 30 days' written notice to the Council.

3. If the Government of Argentina, of Australia, of Canada or of the United States of America withdraws from the Agreement, the Agreement shall thereupon terminate, unless the Council, by three-fourths of the total votes held in the Council, decides to maintain the Agreement with whatever modifications it may deem necessary.

ARTICLE XVI (TERRITORIES)

1. The rights and obligations under this Agreement of the Government of Argentina apply to the Customs territory thereof; those of the Government of Australia to Australia and her territories; those of the Government of Canada to the Customs territory thereof; those of the Government of the United Kingdom of Great Britain and Northern Ireland to Great Britain and Northern Ireland; and those of the Government of the United States of America to the Customs territory thereof.

2. In the event of the Government of any other country acceding to the Agreement under Article XIV, the Council shall agree with the said acceding Government as to the territories to which the rights and obligations of the said acceding Government under the Agreement shall apply.

ARTICLE XVII (DEFINITIONS)

For the purposes of this Agreement:

1. "Bushel" means sixty pounds avoirdupois.

2. "Carrying charges" means the costs incurred for storage, interest and insurance in holding wheat.

3. "Carry-over" means the aggregate of the stocks in any country, as ascertained by the Council under paragraph 13 of Article VII, of old wheat at the end of the crop-year held (a) in all elevators, warehouses and mills, (b) in transit or at railroad sidings and (c) on farms, except that in the case of Canada "carry-over" means in addition the stocks of wheat of Canadian origin held in bond in the United States of America.

4. "Council" means the International Wheat Council for which provision is made in Article VII.

5. "Crop-year" means in respect of Argentina and Australia, the period from December 1 to November 30; in respect of Canada, the period from August 1 to July 31; and in respect of the United States of America, the period July 1 to June 30.

6. "Domestic requirements" means all use of wheat and flour during any crop-year within the territories of each contracting Government for human and animal consumption, for industrial purposes, and for seed, and waste.

7. "Equivalent", with reference to the measurement of flour in terms of wheat, means a quantity calculated in the ratio of such number of pounds of flour to 100 pounds of wheat as the Council shall determine.

8. "Executive Committee" means the Executive Committee established by the International Wheat Council under Article VIII.

9. "Exporting country" means Argentina, Australia, Canada, the United States of America or any country that may accede as such to the Agreement under Article XIV.

10. "Export quota" means basic export quota together with any secondary or supplementary export quota allocated under Article IV.

11. "Extraordinary use" means use which the Council is satisfied would not have taken place but for the governmental measures referred to in paragraph 6 of Article III.

12. "Gross exports" means the total quantity of wheat, including flour expressed in terms of its wheat equivalent, shipped from the territories of any Government, except that in the case of Canada "gross exports" means the overseas clearances of Canadian wheat from seaboard ports in Canada and the United States of America, plus imports of wheat from Canada into the United States of America for consumption and for milling in bond, plus flour expressed in terms of its wheat equivalent shipped from Canadian territories.

13. "Gross imports" means the total quantity of wheat, including flour expressed in terms of its wheat equivalent, imported into the territories of any Government.

14. "Importing country" means the United Kingdom or any country that may accede as such to the Agreement under Article XIV.

15. "Net exports" means gross exports minus gross imports.

16. "Net imports" means gross imports minus gross exports.

17. "New crop" means wheat harvested not more than two months prior to the beginning of the current crop-year.

18. "Old wheat" means wheat harvested more than two months prior to the beginning of the current crop-year.

19. "Quota-year" means the period ending July 31 following the date upon which the Agreement comes into force and thereafter the period from August 1 to July 31.

20. "Seaboard port" means any sea or river port at which a sea-going ship of 6000 tons gross can load.

21. "Shipped" means transported in any manner.

22. "Territories" means territory, or group of territories, to which the rights and obligations of the Agreement apply in accordance with the provisions of Article XVI.

23. "The beginning of the seeding period for the next harvest" means in respect of Argentina, May 1; in respect of Australia and Canada, April 1; and in respect of the United States of America, September 1.

24. "Total volume of international trade in wheat and flour" means the aggregate of the net export from each country of the world.

25. "Wheat Advisory Committee" means the Committee established under the Final Act of the Conference of Wheat Exporting and Importing Countries held in London at the Offices of the High Commissioner for Canada, from August 21 to 25, 1933.

26. "Yield" means quantity of production per unit of sown area.

MINUTES OF THE FINAL SESSION OF THE WASHINGTON WHEAT MEETING

The officials of the five countries participating in the Washington Wheat Meeting record as follows their understanding regarding certain provisions of the Memorandum of Agreement entered into pursuant to that Meeting:

1. The arrangements referred to in paragraph 4 of the Memorandum, relating to the relief pool of wheat and to the control of production, mean the following provisions of the Draft Convention attached thereto: paragraph 3 of Article II (Production Control), Articles VI (Relief Pool), VII (The Council) except paragraph 6, X (Finance), XVII (Definitions) and, should the Council at any time so decide, Article VIII (The Executive Committee).

2. The arrangements referred to in paragraph 5 of the Memorandum, relating to the control of production, stocks and exports and to the administration thereof, mean the following provisions of the Draft Convention, in addition to Articles VII (except paragraph 6), VIII, X and XVII referred to above: paragraphs 1 and 2 of Article II (Production Control), Article III (Stocks), Article IV (Export Control) except the provisions of paragraphs 10 and 12 relating to the obligations of importing countries since those provisions are not regarded as essential to the interim measures contemplated in the Memorandum, Article IX (Reports To The Council) and Article XVI (Territories).

3. The words "cessation of hostilities" in the Memorandum mean the earliest date at which none of the five countries is engaged in substantial belligerent operations.

4. The words "arrangements described in the attached Draft Convention" in paragraph 6 of the Memorandum mean the provisions of Article V of the Draft Convention.

5. The words "equivalent f.o.b. prices" which will be calculated for wheats of the other exporting countries under paragraph 6 of the Memorandum mean the prices of Argentine, Australian and United States wheats which will be as-

certainied by the unanimous vote of the Council as equivalent to the last price negotiated by the United Kingdom for a bulk purchase of wheat from Canada.

6. The seat of the Council will be in Washington during the period in which the Memorandum of Agreement is in force, unless the Council should otherwise determine.

7. The Minutes of the Washington Wheat Meeting, together with the Reports of its Committees, will be available for the information of the Council during the period in which the Memorandum of Agreement is in force.

8. The English texts of the Memorandum of Agreement and of the present Minutes have been initialled by Anselmo M. Viacava, Edwin McCarthy, Charles F. Wilson, Harold F. Carlill, and Leslie A. Wheeler, officials of Argentina, Australia, Canada, the United Kingdom and the United States respectively, as competent experts in a position to reflect the views of their respective Governments. The Memorandum, the Draft Convention and the present Minutes will be transmitted in English and Spanish by the Government of the United States to the other four Governments for their approval. So soon as the approval of the five Governments has been notified to each of them the provisions of the Memorandum of Agreement will be deemed to come into effect and the Memorandum of Agreement together with the Draft Convention attached thereto and the present Minutes will be made public.

A. M. V.

For Argentina

E. McC.

For Australia

C. F. W.

For Canada

H. F. C.

For the United Kingdom

L. A. W.

For the United States

WASHINGTON, April 22, 1942.

American Republics

RUBBER AGREEMENT WITH COLOMBIA

[Released to the press July 3]

The signing of a rubber agreement with Colombia was announced on July 3 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreement the Rubber Reserve Company will purchase during the next five years all rubber produced in Colombia which is not required for essential domestic needs there.

Colombia has been producing and exporting relatively small quantities of rubber. It is expected that eventually, with development of potential resources, somewhat larger supplies will be available annually from Colombia.

This agreement is the fifth under the United States program to secure for the united war effort the maximum possible amount of rubber produced in the Western Hemisphere. The other agreements, already in effect, are with Brazil, Peru, Nicaragua, and Costa Rica. Negotiations for similar agreements are proceeding with a number of other American rubber-producing countries.

VISIT TO THE UNITED STATES OF THE PRESIDENT-ELECT OF COLOMBIA

[Released to the press June 29]

His Excellency Alfonso Lopez, President-elect of the Republic of Colombia, has accepted the invitation of the President to visit the United States as a guest of this Government. The President-elect and his party are scheduled to arrive in Washington on or about July 10.

President-elect Lopez visited the United States in June 1934 as a guest of this Government, prior to his first term as President of Colombia.

Cultural Relations

VISIT TO THE UNITED STATES OF DISTINGUISHED ARGENTINES

[Released to the press June 29]

Ezequiel Martínez Estrada, the distinguished Argentine author, and Horacio Butler, the well-known Argentine painter, arrived in Washington on June 29. Both are here at the invitation of the Department of State and will spend several days in Washington before beginning their respective visits to universities, libraries, and museums in this country.

Dr. Martínez Estrada, who is on the faculty of the University of La Plata, has received several national literary awards, including the first prize for literature of Argentina for his book *Humoresca*.

Señor Horacio Butler, outstanding among the artists of his country, is the recipient, among other honors, of a gold medal for one of his paintings, which was exhibited at the Paris Exposition of 1937.

VISIT TO THE UNITED STATES OF CHILEAN AUTHOR

[Released to the press July 3]

Raúl Silva Castro, influential young writer of Chile and a member of the staff of the National Library at Santiago, arrived in Washington on July 2 to visit libraries in this country at the invitation of the Department of State.

Señor Silva Castro will spend several days in Washington, devoting special attention to the Hispanic Foundation of the Library of Congress, before continuing his tour.

He has published many bibliographical studies and several volumes of literary criticism and has edited special editions of the works of various authors. He has made a special study of the short story in Chile and has published an anthology and several critical volumes on the subject.

The Foreign Service

PERSONNEL CHANGES

[Released to the press July 4]

The following changes have occurred in the American Foreign Service since June 27, 1942:

Burton Y. Berry, of Fowler, Ind., formerly Second Secretary of Embassy at Rome, Italy, has been assigned as Consul at Istanbul, Turkey.

Louis F. Blanchard, of Santa Fe, N. Mex., clerk at México, D.F., Mexico, has been appointed Vice Consul at México, D.F., Mexico.

Earl Wilbert Eaton, of Laredo, Tex., Vice Consul at Durango, Mexico, has been appointed Vice Consul at Nuevitas, Cuba.

Frederick E. Farnsworth, of Colorado Springs, Colo., Consul at Montreal, Canada, has been designated Third Secretary of Legation and Consul at Ottawa, Canada, and will serve in dual capacity.

Frank Anderson Henry, of Wilmington, Del., Consul at Malta, has been assigned as Consul at Port Elizabeth, Union of South Africa.

Julius C. Jensen, of Casper, Wyo., Vice Consul at Zürich, Switzerland, has been appointed Vice Consul at Basel, Switzerland.

John D. Johnson, of Highgate, Vt., now serving in the Department of State, has been assigned as Consul at Montreal, Canada.

Reginald S. Kazanjian, of Newport, R.I., Vice Consul at Florianópolis, Brazil, has been assigned as Consul at Florianópolis, Brazil.

John Belfort Keogh, of New York, N.Y., Vice Consul at Bradford, England, has been appointed Vice Consul at London, England.

Ralph Miller, of New York, N.Y., Second Secretary of Embassy at Habana, Cuba, has been assigned as Consul at Mombasa, Kenya, where he will open a new office.

R. Borden Reams, of Luthersburg, Pa., formerly Second Secretary of Legation at Copenhagen, Denmark, has been assigned for duty in the Department of State.

Francis L. Spalding, of Brookline, Mass., Second Secretary of Legation at Cairo, Egypt, has been assigned for duty in the Department of State.

Charles H. Taliaferro, of Harrisonburg, Va., Vice Consul at Yarmouth, Nova Scotia, Canada, has been appointed Vice Consul at Cartagena, Colombia.

Milton Patterson Thompson, of Chattanooga, Tenn., Vice Consul at Nuevitas, Cuba, has been assigned as Vice Consul at Durango, Mexico.

Howard K. Travers, of Central Valley, N.Y., formerly Consul General at Budapest, Hungary, has been assigned for duty in the Department of State.

Fletcher Warren, of Wolfe City, Tex., First Secretary of Embassy and Consul at Bogotá, Colombia, has been designated Counselor of American Embassy at Bogotá, Colombia.

George Lybrook West, Jr., of San Francisco, Calif., Vice Consul at Godthaab, Greenland, has been designated Third Secretary of Legation at Stockholm, Sweden.

Lloyd D. Yates, of Washington, D.C., formerly Second Secretary of Embassy at Berlin, Germany, has been assigned for duty in the Department of State.

The Department

APPOINTMENT OF OFFICERS

Mr. Samuel Reber, a Foreign Service officer of class III, was designated an Assistant Chief of the Division of European Affairs, effective July 2, 1942 (Departmental Order 1067).

Mr. Robert F. Woodward, a Foreign Service officer of class VII, was designated an Assistant Chief of the Division of the American Republics, effective July 2, 1942 (Departmental Order 1068).

Treaty Information

COMMERCE

Trade Agreement with Peru

[Released to the press June 29]

On June 29, 1942 the President proclaimed the trade agreement between the United States and Peru, signed at Washington on May 7, 1942. The President of Peru also issued his proclamation of the agreement on June 29, 1942.

Article XVI of the agreement provides that it shall enter into full force on the thirtieth day following its proclamation by the Presidents of the two countries or, if the proclamations are issued on different days, on the thirtieth day following the date of the later in time of the proclamations. Accordingly, the agreement will enter into force on July 29, 1942. The full text of the agreement and related notes will shortly be printed in the Executive Agreement Series.

Memorandum of Agreement Regarding International Trade in Wheat

The text of a Memorandum of Agreement approved by the Governments of Argentina, Australia, Canada, United Kingdom, and the United States effective June 27, 1942 in accordance with the provisions of the minutes of the final session of the Washington Wheat Meeting, as well as the text of a draft convention attached to the Memorandum of Agreement which is to be considered at a future conference on wheat, appears in this *Bulletin* under the heading "Commercial Policy".

OPIUM

International Opium Convention, 1912

Egypt

By a note dated June 11, 1942 the Netherlands Ambassador at Washington informed the Secretary of State that the Egyptian Government has notified to the Netherlands Government in

London its adherence to the International Opium Convention signed at The Hague on January 23, 1912.

MUTUAL GUARANTIES

Mutual-Aid Agreement with Poland

The text of an agreement between the Governments of the United States and Poland, signed July 1, 1942, on the principles applying to mutual aid in the prosecution of the war, appears in this *Bulletin* under the heading "The War".

STRATEGIC MATERIALS

Agreement with Colombia

An announcement regarding the signature of an agreement with Colombia under the terms of which the Rubber Reserve Company will purchase during the next five years all rubber produced in Colombia which is not required for essential domestic needs there, appears in this *Bulletin* under the heading "American Republics".

Legislation

An Act Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1943, and for other purposes. Approved June 27, 1942. [H. R. 6430.] Public Law 630, 77th Cong. 34 pp.

Joint Resolution To accord privileges of free importation to members of the armed forces of other United Nations, to enemy prisoners of war and civilian internees and detainees, and for other purposes. Approved June 27, 1942. [H.J. Res. 327.] Public Law 635, 77th Cong. 1 p.

Salaries—Department of State: Communication from the President of the United States transmitting a draft of a proposed provision pertaining to the appropriation "Salaries, Department of State," appearing in the pending Department of State appropriation bill for the fiscal year 1943. S. Doc. 235, 77th Cong. 2 pp.

First Supplemental National Defense Appropriation Bill, 1943:

Hearings before Subcommittee of the Committee on Appropriations, House of Representatives, 77th Cong., 2d sess. Part 1. [Department of State, pp. 98-108; Office of the Coordinator of Inter-American Affairs, pp. 553-596.] 925 pp.

H. Rept. 2295, 77th Cong., on H. R. 7319. [Coordinator of Inter-American Affairs, pp. 12-13; Department of State, p. 35.] 37 pp.

Protection of the Name and Emblem of the Red Cross: Hearings before the Committee on Foreign Affairs, House of Representatives, 77th Cong., 2d sess., on

H.R. 6911, and documents relating to H.R. 6911, a bill to implement article 28 of the convention signed at Geneva on July 27, 1929 . . . by making it a criminal offense for any person to use the emblem and name of the Red Cross for commercial or other purposes. April 14, 22, 23, and May 26 and 27, 1942. [Statements by Green H. Hackworth, pp. 51-67, 108-109, 127-139; letter from the Secretary of State to the Chairman of the House Committee on Foreign Affairs May 23, pp. 198-200; and miscellaneous documents in the appendix.] 433 pp.

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The War

MUTUAL-AID AGREEMENT WITH GREECE

JOINT STATEMENT BY THE PRESIDENT AND THE KING OF GREECE

[Released to the press by the White House July 9]

At the close of the conference between the President and the King of Greece at the White House on July 9 the following joint *communiqué* was issued:

"At the meetings between the President and the King during His Majesty's visit to the United States, a full discussion of the mutual problems and interests of these two United Nations has taken place. The Greek Prime Minister, Mr. Tsouderos, has participated in these discussions.

"We are in complete agreement on the simple objective of prosecuting the war to a successful conclusion, at the earliest possible moment, with all the resources at the command of the two nations.

"We are firm in our determination to win the

peace no less than the war, and we reassert our conviction that a just and lasting peace, based on an honest application of the Declaration of the United Nations of January 1, 1942, is the basis on which the peace shall be won.

"In consequence, the Prime Minister of Greece and the Secretary of State will sign tomorrow, on behalf of their Governments, an agreement on the principles applying to mutual aid in the prosecution of the war, by which the American and Greek Governments pledge not only their mutual resources to a common victory but their collaboration in economic policies to make possible a lasting peace."

King George and Mr. Tsouderos have been forced, for reasons of state, to curtail their visit to America and to return as early as possible to London.

SIGNING OF THE AGREEMENT

[Released to the press July 10]

An agreement between the Government of the United States and the Government of Greece on the principles applying to mutual aid in the prosecution of the war was signed on July 10 by Mr. Cordell Hull, Secretary of State, and Mr. Emmanuel J. Tsouderos, Prime Minister and Minister for Foreign Affairs of Greece. Greece becomes the seventh country to sign such an agreement with the United States.

The provisions of the agreement are the same in all substantial respects as those of the agreements between this Government and the Governments of the United Kingdom, China, the Soviet Union, Belgium, Poland, and the Netherlands. As in the case of the former agreements, that with Greece was negotiated under the provisions of the Lease-Lend Act of March 11, 1941, which provides for extending aid to any country whose defense is determined by the

President to be vital to the defense of the United States.

The United States and the other Governments which sign such agreements pledge their material as well as their spiritual resources to a common victory of the United Nations. All these countries are signatories of the Declaration by United Nations.

Text of the Agreement¹

Whereas the Governments of the United States of America and Greece declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Governments of the United States of America and Greece, as signatories of the Declaration by United Nations of January 1, 1942, have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941, that the defense of Greece against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to Greece aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Government of Greece receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and

benefits which will be in the mutual interests of the United States of America and Greece and will promote the establishment and maintenance of world peace;

And whereas the Governments of the United States of America and Greece are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of Greece have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Government of Greece with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Government of Greece will continue to contribute to the defense of the United States of America and, the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Government of Greece will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of

¹ The text here printed conforms to the signed original.

America or permit the use thereof by anyone not an officer, employee, or agent of the Government of Greece.

ARTICLE IV

If, as a result of the transfer to the Government of Greece of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Government of Greece will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Government of Greece will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Government of Greece full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Government of Greece subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Government of Greece in return for aid furnished under the Act of Congress of March 11,

1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and Greece, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed in duplicate at Washington this tenth day of July, 1942.

For the Government of the United States of America:

CORDELL HULL
*Secretary of State of the
United States of America*

For the Government of Greece:

EMMANUEL J. TSOUDEKIS
*Prime Minister and Minister for
Foreign Affairs of Greece*

MUTUAL-AID AGREEMENT WITH THE NETHERLANDS

[Released to the press July 8]

An agreement between the Government of the United States and the Government of the Kingdom of the Netherlands on the principles applying to mutual aid in the prosecution of the war was signed on July 8 by Mr. Cordell Hull, Secretary of State, and Dr. A. Loudon, the Netherlands Ambassador. The Netherlands becomes the sixth country to sign such an agreement with the United States.

The provisions of the agreement are the same in all substantial respects as those of the agreements between this Government and the Governments of the United Kingdom, China, the Soviet Union, Belgium, and Poland. As in the case of the former agreements, that with the Netherlands Government was negotiated under the provisions of the Lease-Lend Act of March 11, 1941, which provides for extending aid to any country whose defense is determined by the President to be vital to the defense of the United States.

The United States and the other Governments which sign such agreements pledge their material as well as their spiritual resources to a common victory of the United Nations.

The agreement with the Netherlands is accompanied by an exchange of notes confirming the understanding of the two Governments that it replaces and renders inoperative the lend-lease agreement between the two Governments signed on August 9, 1941 and that it does not affect arrangements now being made for the transfer of certain aircraft, munitions, military property, and procurement contracts of the Netherlands Government to various agencies of the United States Government or the reimbursements to be made to the Netherlands Government in that connection.

The texts of the agreement¹ and of the exchange of notes are given below.

Text of the Agreement¹

Whereas the Governments of the United States of America and the Kingdom of the Netherlands

erlands declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Governments of the United States of America and the Kingdom of the Netherlands, as signatories of the Declaration by United Nations of January 1, 1942, have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941, that the defense of the Kingdom of the Netherlands against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Kingdom of the Netherlands aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Government of the Kingdom of the Netherlands receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and the Kingdom of the Netherlands and will promote the establishment and maintenance of world peace;

And whereas the Governments of the United States of America and the Kingdom of the Netherlands are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and

¹ The text here printed conforms to the signed original.

the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the Kingdom of the Netherlands have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Government of the Kingdom of the Netherlands with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Government of the Kingdom of the Netherlands will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Government of the Kingdom of the Netherlands will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Government of the Kingdom of the Netherlands.

ARTICLE IV

If, as a result of the transfer to the Government of the Kingdom of the Netherlands of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the

United States of America who has patent rights in and to any such defense article or information, the Government of the Kingdom of the Netherlands will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Government of the Kingdom of the Netherlands will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Government of the Kingdom of the Netherlands full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Government of the Kingdom of the Netherlands subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Government of the Kingdom of the Netherlands in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Kingdom of the Netherlands, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment,

and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed in duplicate at Washington this eighth day of July, 1942.

For the Government of the United States of America:

CORDELL HULL
*Secretary of State of the
United States of America*

For the Government of the Kingdom of the Netherlands:

A. LOUDON
*Ambassador of the Kingdom of the
Netherlands at Washington*

*The Secretary of State to the Ambassador of the
Kingdom of the Netherlands*

DEPARTMENT OF STATE,
Washington, July 8, 1942.

EXCELLENCY:

In connection with the signature on this date of the Agreement between our two Governments

on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression, I have the honor to confirm our understanding that this Agreement replaces and renders inoperative, as from today, the prior Agreement between our two Governments on the same subject, dated August 9, 1941.

I have the honor also to confirm our understanding that the signature of this Agreement does not affect in any way the arrangements now being made through the Office of Lend-Lease Administration for the transfer to various agencies of the United States Government of certain aircraft, munitions, military property and procurement contracts of the Royal Netherlands Government in the United States, and for the reimbursements to be made to the Royal Netherlands Government in that connection.

Accept [etc.]

CORDELL HULL

The Ambassador of the Kingdom of the Netherlands to the Secretary of State

NETHERLANDS EMBASSY,
Washington, July 8, 1942.

SIR:

In connection with the signature on this date of the Agreement between our two Governments on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression, I have the honor to confirm our understanding that this Agreement replaces and renders inoperative, as from today, the prior Agreement between our two Governments on the same subject, dated August 9, 1941.

I have the honor also to confirm our understanding that the signature of this Agreement does not affect in any way the arrangements now being made through the Office of Lend-Lease Administration for the transfer to various agencies of the United States Government of certain aircraft, munitions, military property and procurement contracts of the Royal Netherlands Government in the United States, and for the reimbursements to be made to the Royal Netherlands Government in that connection.

Accept [etc.]

A. LOUDON

MUTUAL-AID AGREEMENT WITH CZECHOSLOVAKIA

[Released to the press July 11]

An agreement between the Government of the United States and the Provisional Government of Czechoslovakia on the principles applying to mutual aid in the prosecution of the war was signed on July 11 by Mr. Cordell Hull, Secretary of State, and Mr. V. S. Hurban, the Czechoslovak Minister. Czechoslovakia becomes the eighth country to sign such an agreement with the United States.

The provisions of the agreement are the same in all substantial respects as those of the agreements between this Government and the Governments of the United Kingdom, China, the Soviet Union, Belgium, Poland, the Netherlands, and Greece. As in the case of the former agreements that with Czechoslovakia was negotiated under the provisions of the Lease-Lend Act of March 11, 1941, which provides for extending aid to any country whose defense is determined by the President to be vital to the defense of the United States.

The United States and the other Governments which sign such agreements pledge their material as well as their spiritual resources to a common victory of the United Nations. All these countries are signatories of the Declaration by United Nations.

Text of the Agreement¹

Whereas the Government of the United States of America and the Provisional Government of Czechoslovakia declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Government of the United States of America and the Provisional Government of Czechoslovakia, as signatories of the

Declaration by United Nations of January 1, 1942, have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941, that the defense of Czechoslovakia against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Provisional Government of Czechoslovakia aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Provisional Government of Czechoslovakia receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and Czechoslovakia and will promote the establishment and maintenance of world peace;

And whereas the Government of the United States of America and the Provisional Government of Czechoslovakia are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agree-

¹ The text here printed conforms to the signed original.

ment in conformity with the laws either of the United States of America or of Czechoslovakia have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Provisional Government of Czechoslovakia with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Provisional Government of Czechoslovakia will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Provisional Government of Czechoslovakia will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Provisional Government of Czechoslovakia.

ARTICLE IV

If, as a result of the transfer to the Provisional Government of Czechoslovakia of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights

in and to any such defense article or information, the Provisional Government of Czechoslovakia will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Provisional Government of Czechoslovakia will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Provisional Government of Czechoslovakia full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Provisional Government of Czechoslovakia subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Provisional Government of Czechoslovakia in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end they shall include provision for agreed action by the United States of America and the Pro-

visional Government of Czechoslovakia, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their

own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed in duplicate at Washington this eleventh day of July 1942.

For the Government of the United States of America:

CORDELL HULL
*Secretary of State of the
United States of America*

For the Provisional Government of Czechoslovakia:

V. S. HURBAN
*Minister of Czechoslovakia
at Washington*

MUTUAL-AID AGREEMENT WITH NORWAY

[Released to the press July 11]

An agreement between the Government of the United States and the Royal Norwegian Government on the principles applying to mutual aid in the prosecution of the war was signed on July 11 by Mr. Cordell Hull, Secretary of State, and Mr. Wilhelm Munthe de Morgenstierne, the Ambassador of Norway. Norway becomes the ninth country to sign such an agreement with the United States.

The provisions of the agreement are the same in all substantial respects as those of the agreements between this Government and the Governments of the United Kingdom, China, the Soviet Union, Belgium, Poland, the Netherlands, Greece, and Czechoslovakia. As in the case of the former agreements, that with Norway was negotiated under the provisions of the

Lease-Lend Act of March 11, 1941, which provides for extending aid to any country whose defense is determined by the President to be vital to the defense of the United States.

The United States and the other Governments which sign such agreements pledge their material as well as their spiritual resources to a common victory of the United Nations. All these countries are signatories of the Declaration by United Nations.

The agreement with Norway is accompanied by an exchange of notes concerning the application of certain provisions of the convention in relation to the operation of the Norwegian merchant fleet for the benefit of the United Nations in the common war effort and consultations at the end of the present emergency.

The texts of the agreement¹ and of the exchange of notes are given below.

Text of the Agreement

Whereas the Government of the United States of America and the Royal Norwegian Government declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Government of the United States of America and the Royal Norwegian Government, as signatories of the Declaration by United Nations of January 1, 1942, have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941, that the defense of the Kingdom of Norway against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Kingdom of Norway aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Royal Norwegian Government receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and the Kingdom of Norway and will promote the establishment and maintenance of world peace;

¹ The text here printed conforms to the signed original.

And whereas the Government of the United States of America and the Royal Norwegian Government are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the Kingdom of Norway have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Royal Norwegian Government with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Royal Norwegian Government will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Royal Norwegian Government will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Royal Norwegian Government.

ARTICLE IV

If, as a result of the transfer to the Royal Norwegian Government of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Royal Norwegian Government will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Royal Norwegian Government will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Royal Norwegian Government full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Royal Norwegian Government subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Royal Norwegian Government in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually ad-

vantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Kingdom of Norway, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed in duplicate at Washington this eleventh day of July 1942.

For the Government of the United States of America:

CORDELL HULL
*Secretary of State of the
United States of America*

For the Royal Norwegian Government:

W. MUNTHE MORGENSTIERNE
*Ambassador of Norway
at Washington*

The Ambassador of Norway to the Secretary of State

NORWEGIAN EMBASSY,
Washington, July 11, 1942.

EXCELLENCY:

I have the honor to refer to the conversations between representatives of the Royal Norwegian Government and the Government of the United States of America in connection with the negotiation of the Agreement on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression signed this day.

During the course of these conversations the Norwegian representatives have referred to the fact that the Royal Norwegian Government has been driven from its country by Hitler, whose forces are in occupation of the country and are despoiling its resources; they have pointed out that the principal national asset remaining at the disposal of their Government is the Norwegian Merchant Fleet, which that Government is operating for the benefit of the United Nations in the common war effort; that for the protection and maintenance of that Fleet, it is necessary to install armaments and other protective devices and equipment upon its vessels, and to repair damage and replace losses thereto occasioned by acts of war and operation under war conditions; that it will also be necessary for the Royal Norwegian Government, when the invader has been driven from its territory, to ensure the maintenance of reestablished peaceful conditions, and that, for this reason, the need of the Royal Norwegian Government for arms and equipment will not necessarily cease with the general cessation of hostilities.

The conversations referred to have disclosed a mutual understanding on the part of the Royal Norwegian Government and the Government of the United States of America with respect to the application of certain provisions of the Agreement signed this day, as follows:

1. Armaments and other protective devices and equipment installed upon Norwegian ships subsequent to December 7, 1941 shall, under

the provisions of the Agreement signed this day, remain the property of the Government of the United States of America. The installation of such armaments, protective devices, and other equipment shall be at the expense and for the account of the Government of the United States of America, which shall bear any risk of loss, or damage, and shall not be regarded as giving rise to any financial obligation on the part of the Royal Norwegian Government. Such armaments may if found mutually desirable be manned by American gun crews.

2. The repair under the Lend-Lease Act, subsequent to December 7, 1941, of damage to Norwegian ships which is caused by acts of war or by operation under war conditions, as well as repair and replacement necessitated by operation under war conditions shall be made at the expense and for the account of the Government of the United States of America, and shall not be regarded as giving rise to any financial obligation on the part of the Royal Norwegian Government. The repair of damage not caused by acts of war or not necessitated by operation under war conditions shall be made at the expense and for the account of the Royal Norwegian Government or the appropriate agency designated by it.

3. The Government of the United States of America recognizes that the Norwegian Merchant Fleet not only constitutes an important contribution to the war effort of the United Nations but is likewise one of the principal national assets of the Royal Norwegian Government and, accordingly, that the latter Government which is operating its Fleet for the benefit of the United Nations in the common war effort, should be assisted in replacing ships lost in the service of the United Nations. Accordingly, the Government of the United States of America will continue to review the situation with the Royal Norwegian Government with a view to assisting that Government in a program of replacement as soon as conditions permit. The two Governments agree that negotiations to this end should be commenced with

out delay and should be pressed to a conclusion as promptly as possible.

4. In the application of Article V of the Agreement relating to the return at the end of the present emergency of articles transferred under the Agreement, the Government of the United States of America will take into account the circumstance that when the invader has been driven from Norway it will be necessary for the Royal Norwegian Government to ensure the maintenance of reestablished peaceful conditions. Accordingly, the Government of the United States of America and the Royal Norwegian Government will consider, and will consult with each other with respect to the possible retention by the latter of such military equipment as may be considered necessary for those purposes.

Accept [etc.] W. MUNTHER MORGENSTIERNE

The Secretary of State to the Ambassador of Norway

DEPARTMENT OF STATE,
Washington, July 11, 1942.

EXCELLENCY:

I have the honor to acknowledge the receipt of your note of today's date concerning the conversations between representatives of the Government of the United States of America and the Royal Norwegian Government in connection with the negotiation of the Agreement on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression signed this day, and to confirm the statement contained therein of the understanding of the two Governments with respect to the application of certain provisions of the Agreement.

Accept [etc.]

CORDELL HULL

APPOINTMENT OF REPRESENTATIVES TO CONSULT WITH THE FREE FRENCH IN LONDON

[Released to the press July 9]

The President of the United States, in a letter to the Lend-Lease Administration dated November 11, 1941, stated that the defense of those French territories under the control of Free French forces is vital to the defense of the United States. In the spirit of the President's letter, and consistent with the policy of the United States Government in aiding all peoples who are resisting Axis aggression to maintain and uphold their own liberty, the Government of the United States and the Free French National Committee in London have closely maintained cooperation in those areas where such cooperation would further the war objectives.

To make this cooperation more effective in the prosecution of the war, Admiral Harold R. Stark and Brigadier General Charles L. Bolte have been designated as this Government's representatives to consult with the French National Committee in London on all matters relating to the conduct of the war. A memorandum

on the subject, the text of which is printed below, has been handed to General de Gaulle.

In this connection the following message has been received from the French National Committee in London:

"General de Gaulle has read the memorandum with pleasure. He is most gratified by its terms and he warmly welcomes the decision of the United States Government to appoint Admiral Stark and General Bolte as representatives of the United States Government to consult with the National Committee."

MEMORANDUM

The Government of the United States is subordinating all other questions to the one supreme purpose of achieving military success in the war and carrying it forward to a successful conclusion. The French National Committee has the same objective and is undertaking active military measures for the preservation of French territory for the French people.

The Government of the United States recognizes the contribution of General de Gaulle and the work of the French National Committee in keeping alive the spirit of French traditions and institutions and believes that the military aims necessary for an effective prosecution of the war, and hence the realization of our combined aims, are best advanced by lending all possible military assistance and support to the French National Committee as a symbol of French resistance in general against the Axis powers. The Government of the United States wholeheartedly agrees with the view of the British Government, which is also known to be the view of the French National Committee, that the destiny and political organization of France must, in the last analysis, be determined by free expression of the French people under conditions giving them freedom to express their desires unswayed by any form of coercion.

In pursuing the common war objective, the Government of the United States will continue to deal with the local Free French officials in their respective territories where they are in effective control. Realizing the need for coordinating their common efforts the Government of the United States perceives every advantage in centralizing the discussion of those matters relating to the prosecution of the war with the French National Committee in London. An essential part of the policy of the Government of the United States for war collaboration is

assistance to the military and naval forces of Free France, which is being extended under the terms of the President's statement of November 11, 1941, that the defense of those French territories under the control of Free French forces is vital to the defense of the United States.

In harmony with the foregoing observations the Government of the United States is prepared to appoint representatives in London for purposes of consultation.

DEPARTMENT OF STATE,
Washington.

[Released to the press July 10]

The translation of a telegram which has been received by the Secretary of State from General Charles de Gaulle follows:

"LONDON, *July 10, 1942.*

"It is with great satisfaction that the French National Committee welcomes in London the distinguished representatives of the Government of the United States. I thank you for the personal part you have taken in this decision. The confident collaboration which the France which has remained faithful to the Allies and to the great American democracy will thus establish will certainly contribute in an effective manner to the final victory of the United Nations.

C. DE GAULLE"

BUILDING IN WAR FOR PEACE

ADDRESS BY ASSISTANT SECRETARY ACHESON¹

[Released to the press July 7]

In a very special sense it is a privilege to be here tonight. It is a privilege because in few places on this earth can free men and women meet to take stock of their position, to formulate and express together their opinions, to play their part in shaping their own course. Mr.

¹ Delivered before the Institute of Public Affairs at the University of Virginia, July 6, 1942.

Churchill referred to the British Parliament as the grand inquest of the nation. We have our own grand inquest in Washington as every Government official is keenly aware. But it has been a tradition of the American people from the days of the New England town meeting to conduct their own inquests in every part of the country. At no time in our history has it been more essential that you should meet in this university, created to provide the indispensable

foundation of a free people, and take counsel together. The country will need all your thought and all your resolution.

A witness before an inquest appears not to expound but to give testimony. It is fortunate that this is so, because neither by training nor position is this witness qualified to expound the strategies of the war or of the peace to follow. But an administrative officer knows, because he must participate in some of them, that hundreds of decisions and judgments are and must be made in the course of every day's work. He knows that the cumulative effect of these decisions will determine in large measure the scope within which future decisions may be made and future policies determined. He knows the effect of current opinion upon current decisions. Whether we are conscious of it or not, all of us, whether we are public servants or private citizens, are every day formulating the aims and drawing the outlines of the future.

I wish to speak tonight of the decisions which have been and must be made upon one of the most fundamental factors in the war and the peace: our program for supplying the armies of our allies on every front to the full extent of our power. Today no one doubts that even the most elementary considerations of self-preservation demand that this be done. No one doubts that every front is our front, that a weapon used against the enemy by any ally is well used, and that it is our great good fortune to have fighting with us the skilled hands and stout hearts to use them. No one believes today that it is an act of favor to furnish weapons to those who are fighting so gallantly beside our own men. That decision is made, and there is now no dissent.

Indispensable as that aid is to our allies, we must not exaggerate its extent in relation to our own resources and our own war effort or in relation to the effort of our allies. Only by seeing it in true perspective can we reach wise and just judgments on the questions it presents. In his report of June 11, 1942 to the Congress, the President stated that lend-lease aid for the preceding 15 months had amounted to 4½ billion dollars and that it was currently being provided at a rate approximately equal to 8 billion

dollars a year. This year lend-lease aid will represent about 6 percent of our present national income and very roughly about 13 percent of what we are spending to fight the war. What we can send is limited by the ships available. There is no one of us who does not wish that it could be more. There is no one of us who does not understand the essential strategic function of this flow of weapons and materials and food to the fighting fronts and the people behind them.

But there could be no greater mistake than to believe that our supplies are equipping the armies of the United Nations. Essential as they are, they form a small part of the vast supplies which these armies are using. With amazing skill, determination, and sacrifice our allies have converted every available resource of material and manpower to the purposes of war. We have together created a common pool of material with which the common war is being waged. Our contribution is indispensable, but it is a part of a far larger whole.

As our own forces take a greater part upon the fronts, the resources of this pool are made available to them. Precious shipping is saved by supplying them from the nearest sources, and in steadily increasing volume our allies are doing this with food and weapons. Our troops in Australia and Great Britain are drawing to the fullest extent upon the supplies available in those areas and so releasing shipping for materials which cannot be supplied except from overseas.

This energetic and extensive system of mutual aid is more than a way of economizing in the use of ships. It is a symbol of the willing cooperation of the United Nations. Each is now giving the last full measure of its strength and resources in a common and desperate war. Our thoughts about the terms on which war aid is given and received should be formulated with this in mind. They must be carried out with full appreciation of the contribution of each nation in relation to its own capacity and to the contribution of others.

The basic principles governing these terms have been declared in the agreements entered into with the Governments of Great Britain, the

Soviet Union, China, Belgium, and Poland and under discussion with other governments. They express the creative statesmanship with which the Lend-Lease Act was conceived. They say both what the final settlement shall not be and also, in broad outline, what it shall be. It shall not be a settlement which will burden commerce between the countries. We have experienced such settlements before and know the full train of evils and misery which they bring. But it shall be a settlement—to use the words of the agreements themselves—“to promote mutually advantageous economic relations between them [the countries agreeing] and the betterment of world-wide economic relations.” “To that end”, the formal language of the agreements continues, the final settlement “shall include provision for agreed action . . . open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers;” and, in general, to the attainment of the objectives declared in the Atlantic Charter.

These are the principles upon which aid is given and received. The President has stated the heart of the matter in his last report to the Congress. He said:

“By this provision we have affirmatively declared our intention to avoid the political and economic mistakes of international debt experience during the twenties.

“A lend-lease settlement which fulfills this principle will be sound from the economic point of view. But it will have a greater merit. It will represent the only fair way to distribute the financial costs of war among the United Nations.

“The real costs of the war cannot be measured, nor compared, nor paid for in money. They must and are being met in blood and toil. But the financial costs of the war can and should be

met in a way which will serve the needs of lasting peace and mutual economic well-being.

“All the United Nations are seeking maximum conversion to war production, in the light of their special resources. If each country devotes roughly the same fraction of its national production to the war, then the financial burden of war is distributed equally among the United Nations in accordance with their ability to pay. And although the nations richest in resources are able to make larger contributions, the claim of war against each is relatively the same. Such a distribution of the financial costs of war means that no nation will grow rich from the war effort of its allies. The money costs of the war will fall according to the rule of equality in sacrifice, as in effort.”

Would any of you have the settlement otherwise? If so, this is the time to search your hearts and minds and speak. What do you wish to ask in return for the aid you give? That aid will probably be greater in total amount than the aid we shall receive, because our resources are greater, because the drain upon them has been less.

Do you wish an accounting of benefits given and received on the theory that they represent mutual debts, to be computed in dollars, and set off against each other to measure a balance owed in money? Do you wish to set on one side the value of a tank, its guns and ammunition and on the other an appraisal of those who died in it under a desert sun? What is the equation between the planes sent to Russia and those figures in the snow before Leningrad and Moscow? We know the value of everything which has gone to China. Are we to value those years in which the Chinese held the eastern front alone? I do not think that any of us want this accounting. I doubt whether we care even to think about it very much.

What is it, then, that we do want? We must know this before we can ask. Do we want money? More gold buried at Fort Knox? And how is it to be provided? Those nations which have been quickly defeated face the future with their foreign assets virtually intact

Those which have fought on and made the victory possible have bled themselves white in the process, selling what they had for the means to continue the fight. Would anyone propose that we should ask in addition an impossible mortgage upon their future? Such a proposal would not be a strategy of either war or peace. No, we do not want money, because of all settlements we know that it is the most impossible and the most destructive.

Do we want the articles we sent replaced? So long as the need exists, this broadly is the function of lend-lease from our allies to us. But when the need ends do we wish to require the continuation of armament production? Or if we require some arms do we wish to rely upon others for them? This is the very opposite of American policy in the past which has led the fight for the reduction of armaments.

Do we want goods? In the past we have fought any such suggestion with the fury of an untamed broncho. We shall have to learn better. But the problem will be to take goods in exchange for what we must continue to send if our allies—and our enemies—may rebuild their lives. We must buy in order that they may buy from us. Our present aid cannot be repaid in goods. To attempt it would destroy us all.

What is it, then, that we do want? I believe that it is what has been provided for in the agreements already made. If you ask yourselves and your neighbors what it is that you want, the answer will not be money, or to get back the guns you have sent abroad, or to get goods except in the course of trade. The answer will be that you want a chance to live fully and in peace. You want a world in which some half-mad man and his bigoted crew on the other side of the earth will not bring down your lives and your houses about your ears once every quarter century. You want opportunity, a job in which you can use your powers, a job which may not end any Saturday, one that will provide the material and spiritual means for a life which is not mere existence. You want a system where the inevitable hazards of life do not fall on those least able to bear them, where

education and a chance to use it are open to talent.

The agreements open the way—and about the only way—in which these wants of every man and woman in every country can be more than wishes. They do not lay down a blueprint for the future. No man can do that now. They do not promise Utopia. But they chart the fundamental course in the field of economic policy which, if faithfully followed and supported by political organization to maintain peace, cannot fail to take us farther along the road than in recent years it has seemed possible to hope.

They provide first that the steps to be agreed upon between us and our allies shall be open to participation by all other countries of like mind. There are to be no exclusive arrangements, no excluded peoples among those who wish to work with us to the common goal. This is the principle of the Atlantic Charter embodied in the agreements: that there shall be equal access to the trade of the world and to its raw materials for all nations large and small, victors or vanquished. At the base of the whole settlement is to be fairness and equality, the rejection of special privileges and vindictive exclusions.

The second principle calls for united action by all nations, correlating for this purpose international and domestic measures to expand production, employment, and the exchange and consumption of goods. No one, of course, can doubt that the opportunity for full and secure lives which the peoples of all countries demand—and rightly demand, and will insist upon having—is only possible through increased production, employment, and the movement and consumption of goods. But one can well doubt the possibility of achieving these goals unless there is unity of effort and unity in the timing and direction of the efforts of all nations. Too often in the past action in one country has been frustrated because at the same moment others have been moving in the opposite direction or because a powerful country has been moving in one direction in its international policy and in the opposite direction in its domestic policy. The second fundamental principle of the agreements is for common efforts on all fronts at the

same time to expand production, employment, and consumption.

The third principle is the elimination of discriminatory treatment in international commerce and the reduction of tariffs and other trade barriers. It is plain to every one of you that at the end of this war there will be a need such as we have never known to move goods between nations—to feed and clothe and house millions whose consumption has for years been below minimum requirements, to restore devastation, to build and rebuild all the means of production, and, in the years beyond, to move that far greater volume of goods required by the standards we are determined to achieve. It is plain, also, that any such movement is utterly impossible if the nations or any important group of them continue to put impediments in the way, attempt to corner markets for themselves, or resort to devices of any sort to check the flow of goods and back it up upon its sources.

Throughout his whole public life Secretary Hull has striven tirelessly to make our own and all other peoples see the folly and the tragic end of such practices. Even when the shadow of war was lengthening over the world, he made desperate efforts to break the network of restrictions which were choking the production and the movement of goods. But peoples continued to believe that they could solve a world problem in isolation. The agreements declare as a basic principle that this cannot be done and will not again be attempted. They lay down as the course for agreed action that along which Mr. Hull has so steadfastly pointed the way.

These are decisions which have been made in the course of war. I submit to you that they have been well and wisely made, that they bear within them the promise of a peace which shall dawn with hope. It will be a dawn long awaited by millions from whom hope will have been the only sacrifice not asked and freely given. But the dawn will come. Its promise is in your hands, in the hands of your fellow citizens, in the hands and thoughts and will of the people everywhere. Yours is the power and yours the responsibility—not at some future time, not in plans for the world after the war, but in what you think and do and want now.

ANNIVERSARY OF THE ARRIVAL OF AMERICAN TROOPS IN ICELAND

ADDRESS BY ASSISTANT SECRETARY BERLE¹

[Released to the press July 7]

A year ago today, at the invitation of your Government and by arrangement between the President of the United States and the Icelandic Prime Minister, American soldiers set foot on Icelandic soil.

On this, the anniversary of that day, the Democracy of the United States salutes Iceland, the oldest democracy in the world, and the pattern of all the democracies now fighting to defend freedom and free government throughout the world.

When the United States and Iceland made their agreement, the method and spirit of it was new in history. We were agreed that free institutions were the most precious heritage of both countries. We were agreed that a brutal attack on freedom had been made by the Axis powers and that defense against this barbaric wave was of vital interest to Icelanders and to Americans. Both of us hoped that this defense could be effected without war; but both of us knew that unless we were ready any of us might suffer the fate which has been inflicted on the men, the women, and even the children of Norway. We knew that if we were undefended every man's life, every woman's safety, every child's hope of the future was in danger.

We knew, too, that Iceland lay squarely across the line of march of the Axis invaders. They had boasted that in good time they would sweep across the north, taking Iceland and Greenland, seizing Canada and our Canadian friends, and dealing at long last with the United States. Plainly it was our common duty not to wait until the bombs and the raiders were sweeping across the Norwegian sea. The defense must be prepared before the attack.

You remember that a few months later the attack we had foreseen actually came. So far as the United States was concerned, it came from the Nazis' evil partner in the east, Japan. A once the United States came into action.

¹ Broadcast over Station WBOS, Boston, Mass., July 7, 1942.

America is like Iceland in many respects. We are a peace-loving country; and we prefer the life of peace to the life of arms. Like Iceland, we have always felt that the true way of the world must be the way of reason and common understanding. Our enemies misjudged this. They seem to have thought that because we do not thirst for war and conquest, that therefore we would tamely submit to seeing our neighbors and friends crushed into bloody submission, or that we should be unable to swing into action the full strength of America's power.

Our enemies know better now. In proclaiming that he would defend the Western Hemisphere, President Roosevelt had not made an idle statement. By millions Americans left their peaceful life. Throughout our entire country the factories, the mines, and transport were devoted to producing arms.

Again our Axis enemies said it could not be done; it was fantastic to talk of building 60,000 planes in a single year.

Again they were wrong. The planes, the guns, the tanks, the cannon are rolling in increasing lines from our munitions plants. The camps and the air stations sprang up throughout the country, as if by magic. The fishermen came from their boats; the farmers from the plains; the southern planters joined the northern factory workers; the rich man's son shared a bunk with the day laborer.

The convoys began to pass eastward to defend the great Atlantic reaches, westward to check the Japanese in the Pacific. Our close friend and neighbor to the north, Canada, which had long carried much of the brunt of the struggle, pooled her resources of materials with our growing arms.

Nation after nation joined in the common cause and formed a great union of freedom.

The struggle may be long, but there will be but one outcome: the wiping out of the forces of barbaric and cruel conquest and the restoring of a world in which free men can live freely at peace.

The democracy that you have had in Iceland for a thousand years—the freedom that we have

had in America since its foundation—that freedom Hitler would destroy in a day if the power were his. But he has not that power, partly because Iceland offered her hospitality so that American troops might stand on guard, and Greenland gladly gave them the bases and the stations from which the Battle of the Atlantic might be fought.

Our soldiers in Iceland are far from home, but I know they are among friends. Icelanders who have visited us know that they have no firmer friends than Americans. Together we share the Christian ideal of kindness, good neighborhood and common solution of common problems. Together we work for the reestablishment of that freedom and opportunity for happiness and advancement which God has given as a heritage to all.

To the people of Iceland and to our soldiers stationed in the far north, let me give a message of good cheer. There is no trial we cannot endure; for we fight at the side of the Lord, and the victory will be ours.

FIVE YEARS OF CHINESE RESISTANCE TO JAPANESE AGGRESSION

[Released to the press by the White House July 6]

The following cablegram was addressed by the President to General Chiang Kai-shek, President of the Executive Yüan of China and Generalissimo of the Armies, and through him to the people of China, on the occasion of the fifth anniversary of the attack on China by Japan, July 7:

"In the name of the people of the United States, your fighting allies in this war for freedom, I greet you on this anniversary of the most despicable attack on you in all your long and noble history. The people of the United States hail you as brothers-in-arms in the great and difficult tasks remaining before the free and freedom-loving peoples of all the earth. We are united as nations and peoples have never before been united. We are united to the end

that the common aims of civilized men and women shall become actual and universal. Five years ago, at the Marco Polo Bridge, you started your fight against the forces of darkness which were hurled against your country and your civilization. You know, and all the world knows, how well you have carried on that fight, which is the fight of all mankind. Increasingly, your arms and our arms will thrust back the enemy. You, the people of China, and we, the people of the United States and the United Nations, will fight on together to victory, to the establishment of peace and justice and freedom throughout the world."

[Released to the press July 9]

The following telegram has been received from Generalissimo Chiang Kai-shek in reply to the President's message to him on the occasion of the fifth anniversary of the attack on China by Japan:

"CHUNGKING, July 7, 1942.

"DEAR PRESIDENT ROOSEVELT:

"The Chinese Army and people are deeply moved by the inspiring message which you were good enough to send us on this Fifth Anniversary of our war of resistance. Love of peace, justice and freedom is the traditional trait of our two peoples. We in concert with twenty-six allied nations have dedicated ourselves to the heroic fight in defense of civilization and humanity as you have truly said in your telegram. Our two armies and peoples are united in spirit as nations and peoples have never before been so united. At the same time no greater responsibilities have devolved upon our two great democracies since the beginning of their history. Upon receipt of this message of greetings from one hundred and thirty million friends across the Pacific, our army and people fully realize the prime necessity of annihilating the forces of evil in the Pacific so as to hasten the day of victory in this global war against aggression. Will you please accept my personal warm thanks and those of the entire Chinese Army and people.

CHIANG KAI-SHEK"

[Released to the press July 7]

The text of a message from the Secretary of State to the Chinese Acting Minister for Foreign Affairs for the People of China follows:

"Five years ago today [July 7] China took up arms in defense of its soil against renewed Japanese aggression. Since that time the Chinese people have been ceaselessly and courageously battling for their liberty against the ruthless invaders. The American people have watched with deep sympathy and admiration the heroic fortitude and tenacity with which for five long and bitter years the Chinese people have fought on against heavy odds.

"On the occasion of this anniversary I desire to convey to you and through you to the Chinese people an expression of the wholehearted good wishes of the American people who, as comrades-in-arms with the Chinese people, are now facing common aggressors and share a common peril. We realize that the way before us is beset with formidable difficulties. We shall not falter. China's determination to continue resolutely and valiantly as a leader in the fight for freedom constitutes an inspiring part of the unshakeable unity of purpose of the United Nations. The consciousness of those nations of the justness of their cause, their resolve to make all necessary sacrifices, and their firm purpose to carry home to the enemy the war which he has rapaciously inflicted upon humanity make certain final victory.

CORDELL HULL"

American Republics

DISTRIBUTION OF OIL TO THE OTHER AMERICAN REPUBLICS

[Released to the press July 6]

Supplementing the statement made to the press on June 8 on the subject of the distribution of oil to the other American republics, which is quoted below, the Secretary said, "Scarcity of available tanker tonnage is becoming increasingly acute and much more severe rationing

and stricter conservation measures should be instituted without delay in those areas dependent on tanker-borne supplies."

The Secretary's statement at his press conference on June 8 follows:

"The United States, with respect to oil as with other vital supplies, is adhering to the principle of equal and proportionate treatment for consumer needs in the other American republics. This principle has been applied to the sharing of various essential and critical materials.

"The problem of maintaining a flow of petroleum products to various areas in this hemisphere is similar to that of supplying the Atlantic and Pacific coasts in the United States. It is mainly an ocean-transportation problem.

"Today millions of automobile users in areas of the United States dependent upon waterborne transportation for fuel have reduced their gasoline consumption to an average of three gallons a week under a rationing system. Pleasure driving in rationed areas has been largely eliminated so that shipping may be concentrated on the primary tasks of supplying the fighting forces, strategic industries, and essential civilian needs.

"Hemispheric application of the principle of equal treatment of consumers implies use of tankers for the most essential needs in the assignment of vessels on inter-American routes too.

"Steps have been taken in cooperation with the other American republics to maintain the flow of petroleum supplies to those countries on as favorable a basis as that prescribed within rationed areas of the United States.

"In addition, the United States has undertaken to meet oil needs of certain operations in the other American republics contributing directly and vitally to the war effort. It is essential that these operations be maintained.

"Examples of these vital operations are the military forces of countries fighting the Axis nations, merchant ships trading in the interest of the United Nations and friendly neutrals, airlines, and the mining and transportation of strategic materials.

"In determining how tankers should be employed, the total supplies available to each of the American republics in relation to its own essential needs must be taken into account and the tankers sent where the unsatisfied need is greatest.

"This view of the oil problem has been communicated to the governments of the other American republics."

VISIT TO THE UNITED STATES OF THE
PRESIDENT-ELECT OF COLOMBIA

His Excellency Dr. Alfonso Lopez, President-elect of Colombia, and members of his party, including Señor Pedro Lopez y Michelson, the President-elect's son, arrived in the United States July 3 for a week's visit. After a few days in New York City, he came to Washington on July 7, where he was received at the White House by President Roosevelt. Señor Lopez and his son were dinner and overnight guests at the White House. During his stay in Washington he visited Congress, attended a special session of the Governing Board of the Pan American Union, and was honored at several dinners and luncheons.

ECONOMIC COOPERATION WITH
BOLIVIA

[Released to the press July 5]

Dr. Joaquin Espada, the Bolivian Minister of Finance and Señor Alberto Crespo, the Bolivian Minister of National Economy, accompanied by Señora de Espada, Señor Franklin Antezanapaz, Adviser to the Minister of Finance, and Mr. Joseph A. Inslee, representative of the Export-Import Bank in Bolivia, will arrive in Washington on July 5 to discuss with various agencies of the United States Government the program for economic cooperation between the United States and Bolivia in the preparation of which the two Governments are engaged.

A United States Economic Mission which has recently returned from Bolivia after making a five months' survey in that country has prepared a report making recommendations covering a general plan of economic development to be undertaken by the Bolivian Development Corporation, which is now being organized. This corporation will be under joint American and

Bolivian management and will be financed partially by funds from the Export-Import Bank.

Problems to be considered include the construction of highways and the development of the petroleum and agricultural resources of the country as well as the stimulation of production of such strategic materials as tin, tungsten, antimony, rubber, and quinine.

Treaty Information

RESTRICTION OF WAR

Convention for the Amelioration of the Condition of the Wounded and the Sick of Armies in the Field, and Convention Relating to the Treatment of Prisoners of War

El Salvador

By a note dated April 27, 1942 the Swiss Minister at Washington informed the Secretary of State that notification of the adherence by El Salvador to the Convention for the Amelioration of the Condition of the Wounded and the Sick of Armies in the Field (Treaty Series 847), and the Convention Relating to the Treatment of Prisoners of War (Treaty Series 846), both of which were signed at Geneva on July 27, 1929, was received by the Swiss Federal Council on April 22, 1942. The Minister's note adds that the notification of adherence states particularly that the Government of El Salvador considers itself, in accordance with the provisions of articles 37 and 95 respectively of the above-mentioned conventions, immediately bound by them by reason of the state of war which now exists between El Salvador and Germany, Italy, and Japan.

Both conventions provide that non-signatory countries desiring to adhere to the conventions

may do so by a written notification addressed to the Swiss Federal Council, the adherences to become effective six months after the date of their receipt. Articles 37 and 95 of the conventions provide that a state of war shall give immediate effect to ratifications deposited and to adherences notified by belligerent powers prior to or after the outbreak of hostilities and that the communication of such notices to the other contracting parties shall be made by the Swiss Federal Council by the most rapid method.

FINANCE

Stabilization Agreements

Brazil

On July 6, 1942 the Secretary of the Treasury Henry Morgenthau, Jr., and the Chargé d'Affaires of the United States of Brazil in Washington, Fernando Lobo, signed an agreement extending to July 15, 1947 the Stabilization Agreement entered into on July 15, 1937.

Under this agreement, as extended, the United States will make dollar exchange available to the Government of the United States of Brazil for the purpose of stabilizing the Brazilian milreis - United States dollar rate of

¹ See *Treaty Information Bulletin*, No. 94, July 1937 p. 17.

exchange up to a total amount of \$100,000,000 and will sell gold to the United States of Brazil at such times and in such amounts as the Brazilian Government may request, also to a total amount of \$100,000,000. In the agreement as originally drafted these two amounts were \$60,000,000.

The following statement was made by the Secretary of the Treasury at the time of the signing of the agreement:

"The extension of this Agreement between the Treasuries of the United States of America and the United States of Brazil and the increase in the facilities made available to Brazil under the Agreement, are a further evidence of the close and friendly relations existing between the two countries and constitute an assurance of continued cooperation between the two Treasuries.

"The friendship and understanding symbolized by this and other agreements with our great sister republic in South America promise much for both a joint attack on the problems of the war and a solution for our common problems for the peace."

China

The agreement of April 1, 1941 between the United States and China, under which the United States Stabilization Fund undertook to purchase Chinese yuan to the amount of \$50,000,000 and under which the Stabilization Board of China was established, has been extended for a period of one year beyond June 30, 1942.

The extension of the 1941 agreement is in accordance with the established policy of the Treasury of giving full financial aid to the Chinese Government and of supporting the foreign-exchange position of the Chinese yuan.

Iceland

On July 6, 1942 the Secretary of the Treasury, Henry Morgenthau, Jr., and the Cuban Ambassador, Dr. Aurelio F. Concheso, signed an agreement under which the Government of

the United States undertakes to sell gold to the Government of the Republic of Cuba from time to time with payment to be made within 120 days after delivery of the gold, provided that the unpaid-for amount of gold shall not at any time exceed \$5,000,000.

The details of the agreement were worked out between the Cuban and United States Treasuries on the occasion of a recent visit to this country by Dr. Oscar Garcia Montes, the Minister of Finance of Cuba.

This agreement, evidencing the close cooperation that has existed between the Treasuries of the Republic of Cuba and the United States, will enable the Cuban Treasury to carry out operations designed to stabilize the Cuban peso - United States dollar rate of exchange.

Ecuador

An exchange-stabilization agreement was signed on February 27, 1942 by the Secretary of the Treasury, Henry Morgenthau, Jr., the Ecuadoran Ambassador, Colón Eloy Alfaro, and the Ecuadoran Minister Counselor, Eduardo Salazar.

This agreement between the two Governments provides that up to \$5,000,000 of the United States Stabilization Fund will be used for the purpose of stabilizing the United States dollar - Ecuadoran sucre rate of exchange.

The agreement also provides for periodic conferences among representatives of the Secretary of the Treasury and of the Government of Ecuador to discuss monetary, financial, and economic problems of mutual interest.

Iceland

The Secretary of the Treasury, Henry Morgenthau, Jr., and the Icelandic Minister, Thor Thors, signed on May 5, 1942 an exchange-stabilization agreement.

This agreement between the Government of the United States, the Government of Iceland and the National Bank of Iceland, provides that up to \$2,000,000 of the United States Stabiliza-

tion Fund will be used for the purpose of stabilizing the United States dollar-Icelandic krona rate of exchange.

The agreement also provides for periodic conferences among representatives of the parties to the agreement to discuss monetary, financial, and economic problems of mutual interest.

LABOR

Convention Concerning Annual Holidays With Pay for Seamen

Mexico

The Acting Secretary General of the League of Nations informed the Secretary of State by a circular letter dated June 19, 1942 that the instrument of ratification by Mexico of the Convention Concerning Annual Holidays With Pay for Seamen, adopted by the International Labor Conference at its twenty-first session (October 24, 1936), was registered with the Secretariat on June 12, 1942.

The countries which have ratified this convention are the United States of America, Belgium, and Mexico. According to the terms of the convention it will enter into force six months after the date on which there have been registered with the Secretary General of the League of Nations the ratifications of five members of the International Labor Organization, each of which has more than one million tons gross seagoing merchant shipping.

MILITARY MISSIONS

Agreement with Panama for the Detail of a United States Army Officer As Adviser to the Minister of Foreign Affairs of Panama

[Released to the press July 7]

In response to the request of the Government of Panama, there was signed on July 7 by Cordell Hull, Secretary of State, and Señor Don Ernesto Jaén Guardia, Ambassador of Panama at Washington, an agreement providing for the detail of an officer of the United States Army of the grade of colonel to serve as Adviser to

the Minister of Foreign Affairs of Panama in relation to matters pertaining to the defense of Panama.

The agreement will continue in force for one year from the date of signature but may be extended beyond one year at the request of the Government of Panama.

The agreement contains provisions similar in general to provisions contained in agreements between the United States and certain other American republics providing for the detail of officers of the United States Army or Navy to advise the armed forces of those countries.

MUTUAL GUARANTIES

Mutual-Aid Agreements with Czechoslovakia, Greece, the Netherlands, and Norway

The texts of mutual-aid agreements between the United States and Czechoslovakia, signed July 11, 1942; Greece, signed July 10, 1942; the Netherlands, signed July 8, 1942; and Norway, signed July 11, 1942, on the principles applying to mutual aid in the prosecution of the war, appear in this *Bulletin* under the heading "The War".

Cultural Relations

VISIT TO THE UNITED STATES OF DISTINGUISHED ARGENTINES

[Released to the press July 8]

Two distinguished Argentines are in Washington for a two-month tour of this country at the invitation of the Department of State.

Dr. Teodora Becu, the well-known man of letters and adviser to the Lozada publishing firm, arrived by air on July 3; and Dr. Sebastián Soler, professor of law at the University of Córdoba and Judge of the Court of Appeals of Rosario, arrived on July 4.

Dr. Becu represented his country as official delegate to the International Aeronautical Congress in Rome in 1922 and to the World Monetary and Economic Congress in London in 1932.

He is an active member of the Society of Argentine Bibliophiles and a past editor of *The Juridical and Social Science Review* of Buenos Aires. He has published two books and several monographs on banking.

Dr. Soler is well known as a penalist and is an outstanding authority on juvenile delinquency. While in this country he will give special attention to juvenile courts and reform schools.

The Department

APPOINTMENT OF OFFICERS

Mr. John C. Dreier was designated an Assistant Chief of the Division of the American Republics, effective July 3, 1942 (Departmental Order 1070).

Mr. Robert M. Carr, an Assistant Chief of the Division of Commercial Policy and Agreements, has been designated to serve as the Department's representative on the Interdepartmental Sugar Policy Committee and on any other interdepartmental committee which may be established for the consideration of sugar problems. Mr. Edward G. Cale, Divisional Assistant in the Division of Commercial Policy and Agreements, will serve as Mr. Carr's alternate on such committees.

The Foreign Service

PERSONNEL CHANGES

[Released to the press July 11]

The following changes have occurred in the American Foreign Service since July 4, 1942:

John Willard Carrigan, of San Francisco, Calif., Second Secretary of Embassy and Vice Consul at México, D.F., Mexico, has been assigned for duty in the Department of State.

Gerald A. Drew, of San Francisco, Calif., Second Secretary of Embassy and Consul at Quito, Ecuador, has been designated Second Secretary of Legation at Guatemala, Guatemala.

The appointment of Charles E. Hulick, Jr., of Easton, Pa., as Vice Consul at London, England, has been canceled. In lieu thereof, Mr. Hulick has been appointed Vice Consul at Panamá, Panama.

Sidney E. O'Donoghue, of Passaic, N. J., Second Secretary of Embassy at Habana, Cuba, has been designated Second Secretary of Embassy and Consul at México, D.F., Mexico.

David J. Pearsall, of Babylon, N. Y., has been appointed Vice Consul at Iquitos, Peru.

General

DETAIL OF UNITED STATES EMPLOYEES TO FOREIGN GOVERNMENTS

The Secretary of State was authorized and directed by an Executive order of July 2, 1942 (no. 9190) to administer, in accordance with regulations included in the order, the act of May 3, 1939, which authorized the temporary detail of United States employees possessing special qualifications to the governments of the American republics and the Philippines. The regulations state that (1) only officers and employees of the United States Government possessing special scientific or other technical or professional qualifications shall be assigned, and no assignment shall be effected except at the request of the foreign government concerned; (2) officers will be detailed to no other governments than those of the American republics, the Philippines, and Liberia; and (3) requests from foreign governments will be submitted through diplomatic channels to the Secretary of State, who will confer with the appropriate department of this Government and take such other action as is necessary.

The full text of the Executive order appears in the *Federal Register* for July 7, 1942, page 5101.

Publications

DEPARTMENT OF STATE

Reciprocal Trade: Agreement Between the United States of America and Haiti Relating to Waiver in Respect of Tariff Preferences Accorded the Dominican Republic by Haiti Under a Treaty of Commerce Between Haiti and the Dominican Republic Signed August 26, 1941—Effected by exchange of notes signed February 16 and 19, 1942. Executive Agreement Series 238. Publication 1757. 4 pp. 5¢.

Regulations

Export Control: Procedure To Secure Shipping Space to the Other American Republics; Shipping Priority Ratings. July 6, 1942. (Board of Economic Warfare.) 7 *Federal Register* 5267.

Legislation

An Act Making Appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary, for the fiscal year ending June 30, 1943, and for other purposes. Approved July 2, 1942. [H. R. 6599.] Public Law 644, 77th Cong. 43 pp.

An Act Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, and for other purposes. [Department of State, pp. 9, 17.] Approved July 2, 1942. [H. R. 7232.] Public Law 648, 77th Cong. 21 pp.

List of retired officers and employees of the United States for whom the Department of State is holding decorations: Message from the President of the United States transmitting communication from the Secretary of State transmitting a list of those retired officers or employees of the United States for whom the Department of State is holding decorations, orders, medals, or presents tendered them by foreign governments. H. Doc. 813, 77th Cong. 3 pp.

Supplemental Estimate—Department of State. S. Doc. 237, 77th Cong. 2 pp.

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THE DEPARTMENT OF STATE BULLETIN

JULY 18, 1942

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The War

AMERICAN CONTRIBUTIONS FOR BRITISH RELIEF

Released to the press July 16]

There are given below the texts of a letter from the Prime Minister of Great Britain to the President and the President's reply thereto, in regard to American contributions for the relief of human suffering in Great Britain:

"10, DOWNING STREET,
"Whitehall, June 14, 1942.

MY DEAR MR. PRESIDENT,

"For a long time I have watched with grateful admiration the vast stream of gifts which from the first days of the War has been flowing from America to Great Britain for the relief of suffering and the succour of distress, and in a volume which has barely lessened as a result of the advent of war to America, though a considerable diminution of it was well to be expected. The generosity of these gifts, each one of which represents a personal sacrifice by an individual, is overwhelming and without precedent. I am therefore anxious in the first place to express to you, Mr. President, the profound gratitude of the British people, and shall be glad if there is some way in which you may be fit to pass my feelings along to the American public.

"My second purpose in addressing you today is unhappily one of informing you that we now stand under the necessity of asking that this other flow of material shall be diminished. It is not that the gifts are not desired—indeed they have constantly been ingeniously devised to meet our real needs and the parcels from America have become a familiar and welcome feature in all the misfortunes which have overtaken our civilian population. The request which I am now compelled to make is due to

additional demands on shipping resulting from the enormously increased flow of war materials for which ocean transport has to be provided. We shall have therefore to assign to goods of a more warlike character the shipping space which has hitherto been available for the relief of our people—a sacrifice which we will make here without complaint, but not without very great regret.

"As to the method of procedure, we have a Committee here—the American Gifts Committee—which hitherto has endeavoured to ensure that gifts from America shall only be of a character that shall meet some real need. The Committee will now have to extend its activities and try to control the actual volume of gifts. A statement will shortly be issued to the press indicating the lines along which it is hoped to proceed.

"I cannot conclude this letter, Mr. President, without affirming once again our gratitude for the comfort in days of suffering and of trial that was brought to us by the people of America, and our desire to make known our thanks.

"Yours sincerely,

WINSTON S. CHURCHILL"

"THE WHITE HOUSE,
"Washington, July 9, 1942.

"MY DEAR MR. PRIME MINISTER:

"I have received your letter of June 14, 1942 in which you express the gratitude of the British people for the vast stream of gifts which from the first days of the war has been flowing from America to Great Britain for the relief of suffering. You ask that this expression be conveyed to the American public.

"You say also that this flow of material must be diminished due to additional demands on shipping and that it will be necessary to assign to goods of a more warlike character the shipping space which has hitherto been available for the relief of the British people. You state further that the American Gifts Committee in Great Britain, which hitherto has endeavored to ensure that gifts from America shall meet some real need, will now try to control the actual volume of gifts.

"I am gratified by your statement that the relief sent from this country has given comfort to the British people during their days of great trial, and I shall give to the American people your expression of appreciation for the gifts they have provided. I am convinced that their action is indicative of the profound admiration felt in this country for the heroic stand of the British people against a barbarous foe.

"You may be assured that we shall cooperate in every feasible way with the American Gifts Committee in order to meet the situation brought about by the increased demand for shipping.

"Very sincerely yours,

FRANKLIN D. ROOSEVELT"

A statement which has been issued by the British Government on this subject follows:

"The immense volume of American aid to Britain, which the British people will never forget as an expression of goodwill and boundless generosity from the American people in the hour of need, made it necessary to set up a Committee in London, under the Chairmanship of Sir Ronald Lindsay, to exercise a general control over the shipment of gift supplies. The Committee has so far been able to arrange for shipment of almost all such supplies required to meet pressing needs. The expanding war effort of both nations, however, and the heavy demands on shipping which this involves, are now such that the amount of cargo space which it is possible to assign to American gifts has had to be very considerably reduced.

"In order to make the most effective and economical use of the space available, it has been decided that in future, cargo space will be allocated only to direct consignments approved by the American Gifts Committee in London and sent either through the American Red Cross to the British Red Cross and Women's Voluntary Services, or through the British War Relief Society to the Personal Service League. No supplies consigned to, or earmarked for, bodies or individuals other than the three British organizations named will therefore be accepted for shipment from now on.

"The Committee wishes to make it plain, however, that this decision does not signify that such other reputable organizations in Great Britain to whom generous donors and friends in the United States have sent gifts in the past through the British War Relief Society will in future be excluded from sharing in American aid. Although they will no longer be able to have shipments addressed to themselves, the allocation of gift supplies shipped by the British War Relief Society to the Personal Service League will have due regard to the voluntary societies, etc. which have been recipients of American gifts to assist their work hitherto. They will thus continue to share in American aid through an allocation which will be made fairly and carefully as possible, though it must be understood that the total amount of gift supplies to be shipped from the United States in future will be much less than in the past because of the reduced shipping space available for them.

"It should however be made clear that this statement does not relate to monetary gifts since in their case shipping space is not involved: and that any activity at present being carried on in Britain under American auspices as a service to the nation, or any general Fund of national standing for the relief of air raid victims or the maintenance of appropriate charitable institutions will continue to be among the proper objects of deeply appreciated financial support from friends in America."

FRENCH SHIPS AT ALEXANDRIA, EGYPT

In his press conference on July 14, Under Secretary of State Welles outlined statements which the United States Government has made to the French Government at Vichy with regard to French warships at Alexandria. He pointed out at the outset that these French warships at Alexandria are understood by the United States Government as being outside the provisions of the Armistice agreement entered into between the French Government at Vichy and Germany. Mr. Welles said that these warships were in Alexandria at the time of the Armistice signature and were there in accordance with naval understandings between the French Government and its then ally, Great Britain. The Under Secretary said that, on July 3, in view of the situation which existed at that time in North Africa, President Roosevelt made the following proposal to the French Government at Vichy. The President made it clear that he hoped that the French ships at Alexandria could be placed in the protective custody of the United States, to include passage of the French ships through the Suez Canal, hence to a secure and remote part of this hemisphere for the duration of the war, either in a port of the United States or in some neutral port, with a guaranty of the return of these ships to France at the end of the war. The President said, Mr. Welles added, that he felt that this proposal was in the interest of France; he stated further that if this offer on behalf of the United States was not accepted by the French Government, the British, knowing of this offer, would of course be properly and wholly justified in ordering the French ships through the Suez Canal, and, if the order was not obeyed, they would be wholly justified in destroying the ships to prevent them from falling into the hands of the enemy. Mr. Welles said the offer made at that time by the President was rejected by the French Government. On July 9, the Under Secretary continued, the President made a further proposal to the French Government. He proposed that if the French Government agreed that the French naval units now at Alexandria be withdrawn

by way of the Suez Canal, the Government of the United States by agreement with the British Government would grant safe passage to Martinique, where they would not be used by either of the two belligerent Governments, namely, the United States and Great Britain, but where they would be immobilized for the duration of the war on the same basis as other French warships now at Martinique, with the assurance that at the end of the war they would be restored to the French people. The two Governments would further agree, Mr. Welles said, to periodical relief and repatriation of the crews after they had reached Martinique, on the same basis which would have obtained had they remained at Alexandria. The President made this proposal in view of his belief that no matter what military situation might develop in North Africa, these French ships would be in imminent danger because of the possibility of enemy attack, and said specifically that in the opinion of this Government, since these ships have from the beginning occupied a special, and are now in a precarious, situation, they are not within the operative provisions of the Armistice agreement, and hence the arrangement proposed by the President would not violate the said agreement, Mr. Welles added. The Under Secretary said he was sorry to say that that offer of the President has also been refused by the French Government at Vichy, which is insisting that the French ships proceed to a nearby French port. In other words, Mr. Welles said, the French Government at Vichy is refusing the proposal solely on the ground that the French port suggested by the President is not nearby, and apparently not sufficiently close to German and Italian hands. The Under Secretary said that he felt certain that the French people themselves will regard this offer made by the President as very much in their interest, since it would have assured the safety of the crews of those vessels and would have assured the French people themselves that at the end of the war these French naval vessels would have been returned to them.

CANCELATION OF CONSULAR REPRESENTATION BETWEEN FINLAND AND THE UNITED STATES

[Released to the press July 16]

Under the terms of article XXIII of the Treaty of Commerce and Consular Rights of February 13, 1934 between Finland and the United States of America,¹ American consular officers "may, within their respective consular districts, address the authorities, National, State, Provincial or Municipal, for the purpose of protecting their countrymen in the enjoyment of their rights accruing by treaty or otherwise."

However, in a note dated July 17, 1941 the Finnish Foreign Ministry informed the American Legation in Helsinki that "in view of wartime conditions" consular matters should be handled entirely through the Finnish Foreign Ministry rather than directly with local authorities. This action of the Finnish Foreign Ministry had the direct effect of denying to American consular officers in Finland the specific treaty rights mentioned above.

Furthermore, the Finnish Foreign Ministry in a note dated July 9, 1942 informed the American Legation that with reference to the Foreign Ministry's note of July 17, 1941 it was preferable to postpone to a subsequent date the question of an exequatur for a career officer of the American Foreign Service whom the American Government had recently commissioned as a vice consul in Helsinki and for whom the American Legation had requested provisional recognition in accordance with established custom in such cases.

The American Legation, acting on instructions from its Government, informed the Finnish Foreign Ministry in a note dated July 16, 1942 that the request which the American Legation had made for the provisional recognition of the consular officer referred to above was

¹ Treaty Series 868.

withdrawn. The Legation further informed the Finnish Foreign Ministry that by the latter's action in regard to the withholding of recognition of the consular officer referred to and in denying American consular officers presently in Finland their treaty rights in connection with the representation of American interests in Finland the Finnish Government had undermined the basis upon which American consular representation was maintained in Finland. Accordingly, the Foreign Ministry was informed that the consular commissions of the American consular officers at present in Finland had been canceled and the consular section of the American Legation in Helsinki was being closed immediately, and that this action had been taken by the American Government to put an end to the present untenable situation involved in maintaining American consular representation in Finland in the face of the attitude adopted by the Finnish Government on the matter. The Finnish Government was requested by the American Legation to close Finnish consular offices in the United States not later than August 1, 1942.

EXCHANGE OF DIPLOMATIC AND CONSULAR REPRESENTATIVES

[Released to the press July 15]

The S.S. *Drottningholm*, which was previously used for the exchange of American and Axis nationals between Lisbon and New York, is returning to her home port of Göteborg, Sweden, with approximately 800 Axis nationals aboard. The ship sailed on July 15.

Most of the Axis nationals are from the other American republics.

FIVE YEARS OF CHINESE RESISTANCE TO JAPANESE AGGRESSION

[Released to the press July 14]

The translation of a telegram received by the Secretary of State from Generalissimo Chiang Kai-shek, of China, President of the Executive Yuan and Acting Minister for Foreign Affairs, follows:

JULY 7, 1942.

"I wish to convey to you the appreciation of the Chinese Government and people for your telegraphic message of good wishes on the occasion of the fifth anniversary of China's war of resistance against aggression.

"China and the United States are now faced with the same enemy and are engaged in a common struggle in concert with other anti-aggression nations. This constitutes a most memorable event in the long history of cordial relations between our two countries. The Chinese army and people will long remember your message in praise of China's war effort, and we will surely spur ourselves to further endeavors in the fulfillment of our duties in order to bring about the defeat of the brutal aggressors for the common good of our two countries and all the other United Nations.

CHIANG KAI-SHEK"

The Near East

DEATH OF TURKISH PRIME MINISTER

[Released to the press July 13]

The Secretary of State, on July 9, sent the following telegram to the Minister of Foreign Affairs of Turkey:

"I desire to express to you personally and through you to the Government and people of Turkey my heartfelt sympathy, and that of the Government and people of the United States for the great loss which Turkey and the friends of Turkey have suffered in the sudden death of Prime Minister Saydam.

CORDELL HULL"

American Republics

PURCHASE OF MEXICAN SURPLUS ALCOHOL

[Released to the press July 17]

The Department of State, the Board of Economic Warfare, and the Commodity Credit Corporation announced on July 17 the signature of an agreement between the Commodity Credit Corporation and the Sociedad Nacional de Productores de Alcohol of Mexico under the terms of which the Commodity Credit Corporation will purchase the entire exportable surplus of the alcohol production of Mexico up to the end of February 1943, at a price of 40 cents per gallon, f.o.b. Laredo, Tex. The negotiations were carried on in Washington with Señor Ramón Beteta, Mexican Under Secretary of Finance and Minister from Mexico to this country in charge of economic and commercial negotiations on behalf of the Mexican Government, and with Señor Aaron Saenz, Señor Ramón A. Hernandez, and Señor Josue Saenz representing the Sociedad Nacional de Productores de Alcohol.

RUBBER AGREEMENT WITH BOLIVIA

[Released to the press July 15]

The signing of a rubber agreement with Bolivia was announced on July 15 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreement the Rubber Reserve Company will purchase during the next five years all rubber produced in Bolivia other than amounts required for essential domestic needs there and except for a maximum of 250 tons which is to be available annually for export to neighboring countries.

The agreement provides for the expenditure of \$2,125,000 by the Rubber Reserve Company in the development of rubber resources in Bolivia.

The Bolivian agreement is the sixth under the United States' program to secure for the united war effort the maximum possible amount of rubber produced in the Western Hemisphere. The other agreements, already in effect, are with Brazil, Peru, Nicaragua, Costa Rica, and Colombia. Negotiations for similar agreements are proceeding with a number of other American rubber-producing countries.

DEATH OF EX-PRESIDENT ORTIZ OF ARGENTINA

[Released to the press July 15]

The following statement has been issued by the Secretary of State:

"I have learned with the most profound sorrow of the death of Dr. Roberto M. Ortiz, until recently President of the Argentine Republic.

"Every man and woman throughout the Americas who is today supporting the great cause of human liberty and every citizen of the Americas who believes in and recognizes the need for inter-American solidarity will receive the news of the death of Dr. Ortiz with a sense of personal loss.

"Ex-President Ortiz was one of the outstanding statesmen of the New World. His high abilities and the courage and force with which he fought for the ideals in which he believed will cause his name to be always remembered in the Western Hemisphere with gratitude and with admiration.

"His death is deeply regretted by the Government and people of the United States."

ECONOMIC COOPERATION WITH BOLIVIA

Dr. Joaquin Espada, Bolivian Minister of Finance, and Señor Alberto Crespo, Bolivian Minister of National Economy, and members of their party, who have been in the United States discussing with various agencies of the United States Government the program for economic cooperation between the United States and Bolivia, will, accompanied by His Excellency

Luis Fernando Guachalla, Bolivian Ambassador in Washington, depart from Washington on July 19 for Detroit and Buffalo, where they will visit several large automobile and airplane factories. They will return to Washington on July 21.

Cultural Relations

VISIT TO THE UNITED STATES OF BRAZILIAN PETROLEUM HEAD

[Released to the press July 18]

General Horta Barbosa, President of the Brazilian National Petroleum Council, is now in the United States for a visit of approximately three weeks as the guest of the Department of State.

In his position as head of the Brazilian National Petroleum Council, General Horta Barbosa is responsible for supervision of the petroleum industry in his country and has come to the United States with a particular interest in the present oil situation here and methods of rationing and distribution.

After a few days in Washington, General Horta Barbosa will visit some of the leading oil-producing and -refining centers of the United States.

General

TRANSPORTATION OF CERTAIN ALIENS

On July 8, 1942 the Secretary of State issued general license 1 authorizing, for the purpose of section 3(b) of the Trading-with-the-Enemy Act, the transportation of certain citizens or subjects of an enemy, or ally-of-an-enemy nation. The text of the general license is printed in the *Federal Register* for July 14, 1942, page 5368. It was issued as Department of State press release 365 of July 14, 1942.

Commercial Policy

INTER-AMERICAN COFFEE AGREEMENT

Released to the press July 17]

Executive Order 8863 of August 21, 1941, allocating for the present quota-year the quota provided by article VII of the Inter-American Coffee Agreement for countries which are not signatories of the agreement, terminates on September 1, 1942, one month before the end of the quota-year. It has been decided not to allocate the non-signatory quota for the year beginning October 1, 1942. The effect of this decision will be to facilitate the entry into the United States of coffee from non-signatory countries which are in a position to supply it under the non-signatory quota.

Eugene M. Hinkle, of New York, N. Y., formerly Second Secretary of Embassy at Berlin, Germany, has been designated Second Secretary of Embassy at Habana, Cuba.

Miss Elizabeth Humes, of Memphis, Tenn., formerly Second Secretary of Legation at Copenhagen, Denmark, has been designated Second Secretary of Legation at Lisbon, Portugal.

Charles A. Livengood, of Dayton, Wash., formerly Commercial Attaché at Rome, Italy, has been designated Commercial Attaché at Bogotá, Colombia.

Treaty Information

STRATEGIC MATERIALS

Agreement with Bolivia

An announcement regarding the signature of an agreement with Bolivia under the terms of which the Rubber Reserve Company will purchase over the next five years all rubber produced in Bolivia other than amounts required for essential domestic needs and except for a maximum of 250 tons which is to be available annually for export to neighboring countries, appears in this *Bulletin* under the heading "American Republics".

The Foreign Service

PERSONNEL CHANGES

Released to the press July 18]

The following changes have occurred in the American Foreign Service since July 11, 1942:

George Carnahan, of New York, N. Y., has been appointed Foreign Service officer, unclassified, Secretary in the Diplomatic Service, and Vice Consul of Career, and has been assigned as Vice Consul at Barranquilla, Colombia.

George T. Colman, of Racine, Wis., Senior Economic Analyst at São Paulo, Brazil, has been appointed Vice Consul at São Paulo, Brazil.

John L. Goshie, of New York, N. Y., formerly Third Secretary of Embassy at Rome, Italy, has been designated Assistant Commercial Attaché at Caracas, Venezuela.

Rudolph W. Hefti, of Ardmore, Pa., Clerk at Tabriz, Iran, has been appointed Vice Consul at Tabriz, Iran.

COMMERCE

Agreement with Mexico for the Purchase of Alcohol

An announcement of the agreement between the Commodity Credit Corporation and the Sociedad Nacional de Productores de Alcohol of Mexico under the terms of which the Commodity Credit Corporation will purchase the entire exportable surplus of the alcohol production of Mexico up to the end of February 1943, appears in this *Bulletin* under the heading "American Republics".

Treaty of Friendship, Commerce, and Consular Rights with Finland

An announcement regarding the closing of the American consulates in Finland and the Finnish consulates in the United States appears in this *Bulletin* under the heading "The War". The notification was given by this Government to the Finnish Government in a note dated July 16, 1942 as a result of the withholding of recognition of an American consular officer and in denying American consular officers in Finland their treaty rights under the terms of article XXIII of the Treaty of Friendship, Commerce,

and Consular Rights of February 13, 1934 between the United States and Finland (Treaty Series 868).

Inter-American Coffee Agreement

An announcement regarding the termination of Executive Order 8863, which allocated for the present quota-year the quota provided by article VII of the Inter-American Coffee Agreement for the countries which are not signatories of the agreement, and the decision not to allocate the non-signatory quota for the year beginning October 1, 1942, appears in this *Bulletin* under the heading "Commercial Policy".

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JUL 25 1942
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THE DEPARTMENT OF STATE BULLETIN

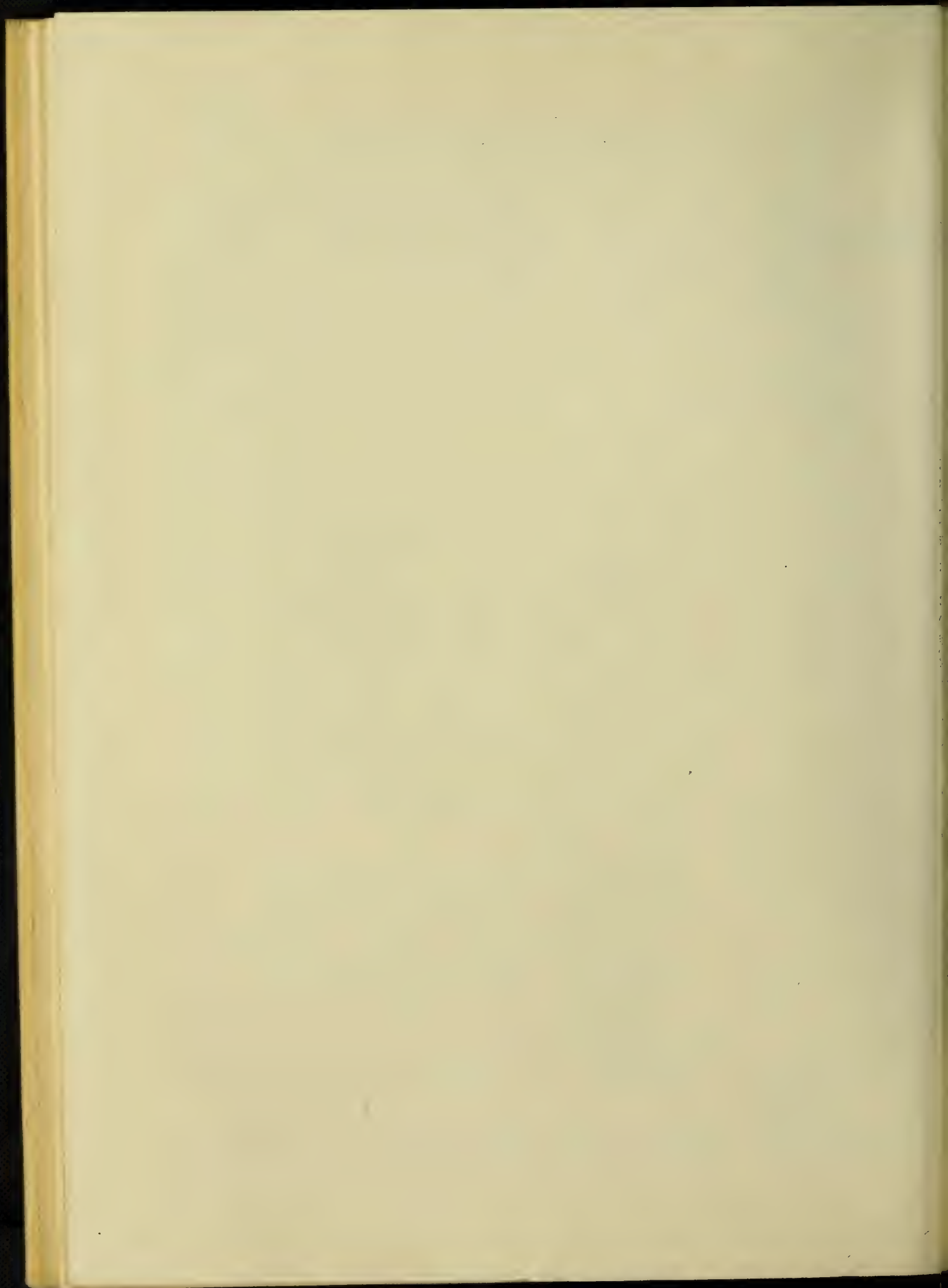
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The War

THE WAR AND HUMAN FREEDOM

ADDRESS BY THE SECRETARY OF STATE¹

Read to the press July 23]

The conflict now raging throughout the world is not a war of nation against nation. It is not a local or regional war or even a series of such wars. On the side of our enemies, led and driven by the most ambitious, depraved, and cruel leaders in history, it is an attempt to conquer and enslave this country and every other country. On our side, the side of the United Nations, it is, for each of us, a life-and-death struggle for the preservation of our freedom, our homes, our very existence. We are united in our determination to destroy the world-wide system of ruthless conquest and brutal enslavement. Their defeat will restore freedom or the opportunity for freedom alike to all countries and all peoples.

I

From Berlin and Tokyo the assault on human freedom has spread in ever-widening circles. In some cases the victim nations were lulled into inaction by promises or by protestations of peaceful intention. In other cases they were so intimidated that no preparation for resistance was made. In all cases the invaders, by armed attack, set into motion every conceivable device of deceit, subversion, treachery, and corruption within the borders of the intended victim.

Broadcast over all national radio networks July 23,

As country after country, in Europe and in Asia, was attacked in this way, it became clear that no nation anywhere was immune, that for none was safety to be found in mere desire for peace, in avoidance of provocation, in neutrality, or in distance from the centers of assault. Nation after nation learned—too late—that safety against such an attack lay only in more effective force; in superior will; in concerted action of all free nations directed toward resisting and defeating the common enemies; in applying the law of self-defense and self-preservation rather than in relying upon professions of neutrality, which, in the face of a world-wide movement to subjugate all nations and all peoples, are as absurd and as suicidal as are such professions on the part of a citizen of a peaceful community attacked by a band of confessed outlaws.

Today twenty-eight United Nations are fighting against the would-be conquerors and enslavers of the human race. We know what is at stake. By the barbarian invaders of today nothing is spared—neither life, nor morals, nor honor, nor virtue, nor pledges, nor the customs, the national institutions, even the religion of any people. Their aim is to sweep away every vestige of individual and national rights; to substitute, the world over, their unspeakable tyranny for the ways of life developed each for itself by the various

nations; to make all mankind subservient to their will; to convert the two billions of the earth's inhabitants into abject victims and tools of their insatiable lust for power and dominion.

We have seen their work in the countries they have invaded—murder of defenseless men, women, and children; rape, torture, and pillage; mass terrorization; the black system of hostages; starvation and deprivations that beggar description; the most thorough-going bondage the world has ever seen.

This is the so-called "New Order" of Hitler and the Japanese war lords—an order as old as slavery—new only in the calculated thoroughness of its cruelty; in the depth of the degradation to which it subjects its victims; in the degree to which it has revived the worst practices of the darkest ages in history.

From time immemorial attempts at conquest and enslavement have checked and harried the great onward march of men and women toward greater freedom and higher levels of civilized existence. The methods employed have been the same as those which we witness today. Ruthless, ambitious men would succeed in corrupting, coercing, or deceiving into blind obedience enough servile followers to attack or terrify peaceful and law-abiding peoples, too often unprepared to resist. In a few instances whole civilizations collapsed under the impact, and darkness descended on large portions of the world. More often, the attacks were—at great cost—defeated, and mankind resumed its onward march. Yet throughout the ages two lessons have remained unlearned.

The first is that man's innate striving for freedom cannot be extinguished. Since the world began too many men have fought, suffered, and died for freedom—and not in vain—for doubt to remain on that score. And yet, over and over again would-be conquerors and enslavers of mankind have sought to translate their mad dreams of barbarous domination into reality.

The second lesson is that liberty is truly won only when it is guarded by the same watchfulness, the same courage, the same willingness to

fight for it which first secured it. Repeatedly throughout history, free men—having won fight, having acquired precious rights and privileges which freedom brings—have dropped their guard, relaxed their vigilance, taken freedom for granted. They have burdened themselves with many things and have noticed the beginnings of new tyrannies, rise of new threats to liberty. They have become so abhorrent of force and cruelty that they have believed the bully and the gang could be reformed by reason and justice or defeated by passive resistance. And so they have been surprised and unprepared when new attacks have come again.

It is perhaps too much to expect that tyrants will ever learn that man's longing for liberty cannot be destroyed. Dreams of conquest have their roots in diseased mentality. That malady may well be ineradicable.

But it is not too much to expect that free men may learn—and never forget—that lax vigilance is the greatest danger to liberty; that enjoyment of liberty is the fruit of willingness to fight, suffer, and die for it; that the right to freedom cannot be divorced from the duty of defending it.

This latest assault on human freedom is, in profound sense, a searching test for nations and for individuals. There is no surer way for men and for nations to show themselves unworthy of liberty than, by supine submission and refusal to fight, to render more difficult the task of those who are fighting for the preservation of human freedom—unless it be to show themselves, freely and voluntarily, without destroyers of liberty. There is no surer way for men and for nations to show themselves worthy of liberty than to fight for its preservation, in any way that is open to them, against those who would destroy it for all.

In the plans of the new tyrants of the East and of the West, there is no freedom or hope for anyone. If there be some people who believe that they can expect from Hitler or the Japanese war lords greater measure of freedom and opportunity for freedom than they now possess, they need only look at the firing squares of Poland, Czechoslovakia, Norway, Fin-

Yugoslavia, at the concentration camps in Germany and Austria. They need only see the degradation of the forced laborers torn from every occupied country. They can learn the fraudulent quality of that brand of "freedom" from the Chinese in Nanking, from the Filipinos in Manila, from the inhabitants of the East Indies.

There is no chance for liberty for any people anywhere save through the victory of the free peoples. Never did a plainer duty to fight against its foes devolve upon all peoples who prize liberty and all who aspire to it. Never was there such an opportunity for every people, as have the people of the Philippines, to demonstrate its fitness both for the rights and the responsibilities of freedom—and, through proof of its fitness, to create an overwhelming sentiment in every country of the world in support of its striving for liberty.

II

We, Americans, are fighting today because we have been attacked. We are fighting, as I have said, to preserve our very existence. We and the other free peoples are forced into a desperate fight because we did not learn the lessons of which I have spoken. We are forced to fight because we ignored the simple but fundamental fact that the price of peace and of the preservation of right and freedom among nations is the acceptance of international responsibilities.

After the last war too many nations, including our own, tolerated, or participated in, attempts to advance their own interests at the expense of any system of collective security and opportunity for all. Too many of us were blind to the evils which, thus loosed, created growing cancers within and among nations—racial suspicions and hatreds; the race of arrogant boasts; economic nationalism and its fruits of economic depression and misery; and finally the emergence from their dark places of looters and thugs who found their opportunity in disorder and disaster. The shadow of a new war fell across the world. War began in 1937 when Japan invaded China.

From the time when the first signs of menace to the peace of the world appeared on the horizon, the Government of the United States strove increasingly to promote peace on the solid foundation of law, justice, non-intervention, non-aggression, and international collaboration. With growing insistence we advocated the principles of a broad and constructive world order in political, economic, social, moral, and intellectual relations among nations—principles which must constitute the foundation of any satisfactory future world order. We practiced these principles in our good-neighbor policy, which was applicable to every part of the earth and which we sought to apply not alone in the Western Hemisphere, but in the Pacific area, in Europe, and everywhere else as well.

When hostilities broke out and wars were declared, our Government made every honorable and feasible effort to prevent spread of the conflicts and to safeguard this country against being drawn into war. But danger increased all around us. Peaceful, unoffending countries, one after another, were brought under the heel of the invader, both in Europe and in Asia. Hitler and the Japanese war lords, by their acts and their official declarations, have made it plain that the purpose of the Japanese is to conquer and dominate virtually one-half of the world with one-half of its population, while Hitler's purpose is, first to conquer continental Europe, and then to seize the British Isles, and through control of the British fleet to dominate the seven seas.

Events have demonstrated beyond question that each of the Axis powers was bent on unlimited conquest. As time went on it became manifest that the United States and the whole Western Hemisphere were ultimate targets. Conclusive proof was given by the international desperadoes themselves through the publication on September 27, 1940 of the Tripartite Pact. By that treaty of alliance Germany, Japan, and Italy in effect agreed that, if any country not then at war with one of them placed obstacles in the way of the program of conquest of any of them, the three would unite in political, military, and economic action against that

country. This provision was aimed directly at the United States. One of the highest official spokesmen of the Axis powers openly proclaimed that the objective of the three partners was a new world order to be achieved by force.

Finally a realization that these plans and purposes created a state of imminent and acute danger to all remaining peaceful countries, especially to those of the Western Hemisphere, forced us to face the all-important question as to when and where the peaceful nations, including ours, should begin to resist the movements of military aggression in order to make such resistance most effective.

It was in these circumstances that our Government felt the compelling importance of adopting the policy of aid to Great Britain and to other nations which resisted aggression, as set forth in the Lease-Lend Act, submitted to Congress in January 1941. It is scarcely necessary to say that all subsequent utterances and acts of the leaders of Germany, Japan, and Italy have fully confirmed the wisdom and timeliness of the policy of this Government in thus proceeding to defend the country before it should be too late.

In December 1941, acting in concert, moving in harmony with their world-wide objective, all three launched their assault against us, the spearhead of which was at Pearl Harbor, reasoning that to achieve victory they must conquer us, and to conquer us they must strike before we were prepared to resist successfully.

When they made this concerted attack against us, the war lords of Japan and Germany must have believed that at the root of our sincere and strong desire for peace lay a lack of will and of capacity to rise in unity of purpose and to pour all our strength and energy into the battle. They have since begun to learn better at Wake and at Midway; at Bataan and at Corregidor; in the Straits of Macassar and in the Coral Sea; from the sky over Tokyo itself; again at Midway; on and over every ocean of the world traversed by our air fleets and our naval and merchant vessels; on every battlefield of the world increasingly supplied with our war materials. They will have final and

conclusive answer from our expanding armies, navies, and air forces, operating side by side with our valiant allies and backed by our nation-wide industrial power and the courage, the determination, and the ingenuity of our people. That answer is being forged in the fighting spirit which now pervades the people of this country, in the will to victory of all the United Nations.

In this vast struggle, we, Americans, stand united with those who, like ourselves, are fighting for the preservation of their freedom; with those who are fighting to regain the freedom which they have been brutally deprived; with those who are fighting for the opportunity to achieve freedom.

We have always believed—and we believe today—that all peoples, without distinction of race, color, or religion, who are prepared and willing to accept the responsibilities of liberty are entitled to its enjoyment. We have always sought—and we seek today—to encourage and aid all who aspire to freedom to establish the right to it by preparing themselves to assume its obligations. We have striven to make squarely our own responsibility in this respect in Cuba, in the Philippines, and wherever else it has devolved upon us. It has been our purpose in the past—and will remain our purpose in the future—to use the full measure of our influence to support attainment of freedom by all peoples who, by their acts, show themselves worthy of it and ready for it.

We, who have received from the preceding generations the priceless fruits of the centuries-old struggle for liberty, freely accept today the sacrifices which may be needed to pass on to our children an even greater heritage.

Our enemies confront us with armed might on every part of the globe. We cannot win the war by standing at our borders and limiting ourselves to beating off attacks. Air, sea, and marine, and other forms of assault can be effectively defeated only if those attacked seek to and destroy the sources of attack. We shall send all the aid that we can to our gallant allies. And we shall seek out our enemies and attack them at any and every point of the globe.

t which the destruction of the Axis forces can be accomplished most effectively, most speedily, and most certainly.

We know the magnitude of the task before us. We know that its accomplishment will require unlimited effort and unfaltering courage. However long the road we shall press on to the final victory.

Temporary reverses must not and will not be the occasion for weakness and discouragement. On the contrary they are the signal for all true soldiers and patriots to strike back all the harder, with that superb resolution which never yields to force or threat of force.

Fighting as we are in self-defense, in self-preservation, we must make certain the defeat and destruction of the world-invading forces of Hitler and the Japanese war lords. To do this our people and the peoples of every one of the twenty-eight United Nations must make up their minds to sacrifice time and substance and give itself to an extent unprecedented in past history.

International desperadoes like individual bandits will not abandon outlawry voluntarily. They will only be stopped by force.

III

With victory achieved our first concern must be for those whose sufferings have been almost beyond human endurance. When the armies of our enemies are beaten, the people of many countries will be starving and without means of procuring food; homeless and without means of building shelter; their fields scorched; their cattle slaughtered; their tools gone; their factories and mines destroyed; their roads and transport wrecked. Unknown millions will be driven from their homes—prisoners of war, inmates of concentration camps, forced laborers in alien lands, refugees from battle, from cruelty, from starvation. Disease and danger of disease will lurk everywhere. In some countries confusion and chaos will follow the cessation of hostilities. Victory must be followed by swift and effective action to meet these pressing human needs.

At the same time all countries—those which will need relief and those more fortunate—will be faced with the immediate problems of transition from war to peace. War production must be transformed into production for the peacetime needs of mankind. In some countries the physical ravages of war must be repaired. In others, agriculture must be re-established. In all countries returning soldiers must find places in the work of peace. There will be enormous deficiencies of many kinds of goods. All countries, including ours, will need an immense volume of production. There will, therefore, exist vast opportunities for useful employment. The termination of the war effort will release, for use in peaceful pursuits, stirring enthusiasms, the aspirations and energies of youth, technical experience, and—in many industries—ample plants and abundance of tools. The compelling demands of war are revealing how great a supply of goods can be produced for national defense. The needs of peace should be no less compelling, though some of the means of meeting them must be different. Toward meeting these needs each and every nation should intensively direct its efforts to the creation of an abundance for peacetime life. This can only be achieved by a combination of the efforts of individuals, the efforts of groups, and the efforts of nations. Governments can and must help to focus the energies by encouraging, coordinating, and aiding the efforts of individuals and groups.

During this period of transition the United Nations must continue to act in the spirit of cooperation which now underlies their war effort—to supplement and make more effective the action of countries individually in re-establishing public order, in providing swift relief, in meeting the manifold problems of readjustment.

Beyond these there will lie before all countries the great constructive task of building human freedom and Christian morality on firmer and broader foundations than ever before. This task, too, will of necessity call for both national and international action.

Within each nation liberty under law is an essential requirement of progress. The spirit of liberty, when deeply imbedded in the minds and hearts of the people, is the most powerful remedy for racial animosities, religious intolerance, ignorance, and all the other evils which prevent men from uniting in a brotherhood of truly civilized existence. It inspires men to acquisition of knowledge and understanding. It is the only real foundation of political and social stability.

Liberty is more than a matter of political rights, indispensable as those rights are. In our own country we have learned from bitter experience that to be truly free, men must have, as well, economic freedom and economic security—the assurance for all alike of an opportunity to work as free men in the company of free men; to obtain through work the material and spiritual means of life; to advance through the exercise of ability, initiative, and enterprise; to make provision against the hazards of human existence. We know that this is true of mankind everywhere. We know that in all countries there has been—and there will be increasingly in the future—demand for a forward movement of social justice. Each of us must be resolved that, once the war is won, this demand shall be met as speedily and as fully as possible.

All these advances—in political freedom, in economic betterment, in social justice, in spiritual values—can be achieved by each nation primarily through its own work and effort, mainly through its own wise policies and actions. They can be made only where there is acceptance and cultivation of the concepts and the spirit of human rights and human freedom. It is impossible for any nation or group of nations to prescribe the methods or provide the means by which any other nation can accomplish or maintain its own political and economic independence, be strong, prosper, and attain high spiritual goals. It is possible, however, for all nations to give and to receive help.

That which nations can and must do toward helping one another is to take, by cooperative action, steps for the elimination of impediments

and obstructions which prevent the full use by each—for the welfare of its people—of its energy and resources which are at its command. And the nations can and must, again by cooperative action under common agreement, create such facilities as will enable each to increase the effectiveness of its own national efforts.

Such cooperative action is already under way. Twenty-eight United Nations have proclaimed their adherence to a program of principles and purposes by which mankind may advance toward higher standards of national and international conduct. That program is embodied in the Declaration made on August 14, 1941, by President Roosevelt and Prime Minister Churchill, now known as the Atlantic Charter.

The pledge of the Atlantic Charter is of a system which will give every nation, large or small, a greater assurance of stable peace and greater opportunity for the realization of its aspirations to freedom, and greater facilities for material advancement. But that pledge implies an obligation for each nation to demonstrate its capacity for stable and progressive government, to fulfill scrupulously its established duties to other nations, to settle international differences and disputes by non-violent but peaceful methods, and to make its full contribution to the maintenance of enduring peace.

IV

For decades all nations have lived in the shadow of threatened coercion or war. That has imposed heavy burdens of armaments, which in the cases of many nations has absorbed so large a part of their production efforts as to leave the remainder of their resources inadequate for maintaining, let alone improving, the economic, social, and cultural standards of their people. Closely related to that has been a burden less obvious but of immense weight—the inevitable limitation that fear of war imposes on productive activity. Many men, groups of men, and even nations have dared not plan, create, or increase the means

¹ Executive Agreement Series 236; 55 Stat. 1600.

of production, fearing lest war come and their efforts thus be rendered vain.

No nation can make satisfactory progress while its citizens are in the grip of constant fear of external attack or interference. It is plain that some international agency must be created which can—by force, if necessary—keep the peace among nations in the future. There must be international cooperative action to set up the mechanisms which can thus insure peace. This must include eventual adjustment of national armaments in such a manner that the rule of law cannot be successfully challenged and that the burden of armaments may be reduced to a minimum.

In the creation of such mechanisms there could be a practical and purposeful application of sovereign powers through measures of international cooperation for purposes of safeguarding the peace. Participation by all nations in such measures would be for each its contribution toward its own future security and safety from outside attack.

Settlement of disputes by peaceful means, and indeed all processes of international cooperation, presuppose respect for law and obligations. It is plain that one of the institutions which must be established and be given vitality is an international court of justice. It is equally clear that, in the process of re-establishing international order, the United Nations must exercise surveillance over aggressor nations until such time as the latter demonstrate their willingness and ability to live at peace with other nations. How long such surveillance will need to continue must depend upon the rapidity with which the peoples of Germany, Japan, Italy, and their satellites give convincing proof that they have repudiated and abandoned the monstrous philosophy of superior race and contest by force and have embraced loyally the basic principles of peaceful processes. During the formative period of the world organization, interruption by these aggressors must be rendered impossible.

One of the greatest of all obstacles which in the past have impeded human progress and afforded breeding grounds for dictators has been

extreme nationalism. All will agree that nationalism and its spirit are essential to the healthy and normal political and economic life of a people, but when policies of nationalism—political, economic, social, and moral—are carried to such extremes as to exclude and prevent necessary policies of international cooperation, they become dangerous and deadly. Nationalism, run riot between the last war and this war, defeated all attempts to carry out indispensable measures of international economic and political action, encouraged and facilitated the rise of dictators, and drove the world straight toward the present war.

During this period narrow and short-sighted nationalism found its most virulent expression in the economic field. It prevented goods and services from flowing in volume at all adequate from nation to nation and thus severely hampered the work of production, distribution, and consumption and greatly retarded efforts for social betterment.

No nation can make satisfactory progress when it is deprived, by its own action or by the action of others, of the immeasurable benefits of international exchange of goods and services. The Atlantic Charter declares the right of all nations to "access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity". This is essential if the legitimate and growing demand for the greatest practicable measure of stable employment is to be met, accompanied by rising standards of living. If the actual and potential losses resulting from limitations on economic activity are to be eliminated, a system must be provided by which this can be assured.

In order to accomplish this, and to establish among the nations a circle of mutual benefit, excessive trade barriers of the many different kinds must be reduced, and practices which impose injuries on others and divert trade from its natural economic course must be avoided. Equally plain is the need for making national currencies once more freely exchangeable for each other at stable rates of exchange; for a system of financial relations

so devised that materials can be produced and ways may be found of moving them where there are markets created by human need; for machinery through which capital may—for the development of the world's resources and for the stabilization of economic activity—move on equitable terms from financially stronger to financially weaker countries. There may be need for some special trade arrangement and for international agreements to handle difficult surplus problems and to meet situations in special areas.

These are only some of the things that nations can attempt to do as continuous discussion and experience instruct the judgment. There are bound to be many others. But the new policies should always be guided by cautious and sound judgment lest we make new mistakes in place of old ones and create new conflicts.

Building for the future in the economic sphere thus means that each nation must give substance and reality to programs of social and economic progress by augmenting production and using the greater output for the increase of general welfare; but not permitting it to be diverted or checked by special interests, private or public. It also means that each nation must play its full part in a system of world relations designed to facilitate the production and movement of goods in response to human needs.

With peace among nations reasonably assured, with political stability established, with economic shackles removed, a vast fund of resources will be released in each nation to meet the needs of progress, to make possible for all of its citizens an advancement toward higher living standards, to invigorate the constructive forces of initiative and enterprise. The nations of the world will then be able to go forward in the manner of their own choosing in all avenues of human betterment more completely than they ever have been able to do in the past. They will do so through their own efforts and with complete self-respect. Continuous self-development of nations and individuals in a framework of effective cooperation with others

is the sound and logical road to the high standards of life which we all crave and seek.

No nation will find this easy. Neither victory nor any form of post-war settlement will of itself create a millennium. Rather we shall be offered an opportunity to eliminate vast obstacles and wastes, to make available additional means of advancing national and international standards, to create new facilities whereby the natural resources of the earth and the products of human hands and brain can be more effectively utilized for the promotion of human welfare.

To make full use of this opportunity, we must be resolved not alone to proclaim the blessings and benefits which we all alike desire for humanity but to find the mechanisms by which they may be most fully and most speedily attained and be most effectively safeguarded.

The manifold tasks that lie ahead will not be accomplished overnight. There will be need for plans, developed with careful consideration and carried forward boldly and vigorously. The vision, the resolution, and the skill with which the conditions of peace will be established and developed after the war will be as much a measure of man's capacity for freedom and progress as the fervor and determination which men show in winning the victory.

Without impediment to the fullest prosecution of the war—indeed for its most effective prosecution—the United Nations should from time to time, as they did in adopting the Atlantic Charter, formulate and proclaim their common views regarding fundamental policies which will chart for mankind a wise course based on enduring spiritual values. In support of such policies an informed public opinion must be developed. This is a task of intensive study, hard thinking, broad vision, and leadership—not for governments alone, but for parents, and teachers, and clergymen, and those, within each nation, who provide spiritual, moral, and intellectual guidance. Never did so great and so compelling a duty in this respect devolve upon those who are in positions of responsibility, public and private.

V

For the immediate present the all-important issue is that of winning the war—winning it as soon as possible and winning it decisively. Into that we must put our utmost effort—now and every day until victory is won.

A bitter armed attack on human freedom has aroused mankind to new heights of courage, determination, and moral strength. It has evoked a spirit of work, sacrifice, and cooperative effort. With that strength and with that spirit we shall win.

MUTUAL-AID AGREEMENT WITH YUGOSLAVIA

JOINT STATEMENT BY THE PRESIDENT AND THE KING OF YUGOSLAVIA

Released to the press by the White House July 24]

The King of Yugoslavia, who expects to depart shortly from the United States, called on the President on July 24. After this conversation the following joint statement was issued:

"In the discussions between the President and the King in the course of His Majesty's visit to the United States there has been a general review of the relations between the United States and Yugoslavia, and the problems of special concern to these two United Nations, with particular attention to the conduct of the war.

"His Majesty's visit in this country has been made the occasion of a demonstration on the part of the American people of a very special friendship for the people of Yugoslavia, who have made such valiant sacrifice in defense of their cherished freedom and the liberation of their country.

"We are in complete accord on the fundamental principle that all the resources of the

two nations should be devoted to the vigorous prosecution of the war; that like the fine achievements of General Mihailović and his daring men, an example of spontaneous and unselfish will to victory, our common effort shall seek every means to defeat the enemies of all free nations.

"In these discussions, in which Dr. Momtchilo Nintchitch, the Minister of Foreign Affairs of the Royal Yugoslav Government, has participated, attention has been given also to the principles which should guide our countries in establishing an enduring and prosperous peace under a just application of the Declaration by the United Nations, and the principles of the Atlantic Charter.

"Accordingly the Foreign Minister of Yugoslavia and the Secretary of State have today signed, on behalf of their Governments, an agreement on the principles applying to mutual aid in the prosecution of the war, pledging their material and spiritual resources to a common victory of the United Nations."

SIGNING OF THE AGREEMENT

Released to the press July 24]

An agreement between the Government of the United States and the Royal Yugoslav Government on the principles applying to mutual aid in the prosecution of the war was signed on July 24, by Mr. Cordell Hull, Secretary of State, and the Minister of Foreign Affairs of Yugoslavia, Dr. Momtchilo Nintchitch. Yugoslavia becomes the tenth country to sign such an agreement with the United States.

The provisions of the agreement with the Royal Yugoslav Government are the same in all substantial respects as the provisions of the agreements heretofore signed between this Government and the Governments of the United Kingdom, China, the Soviet Union, Belgium, Poland, the Netherlands, Greece, Czechoslovakia, and Norway. As in the case of the agreements with those countries the agreement with Yugoslavia was negotiated under the provisions

of the Lease-Lend Act of March 11, 1941, which provides for extending aid to any country whose defense is determined by the President to be vital to the defense of the United States.

The United States and the other governments which sign such agreements pledge their material, as well as their spiritual, resources to a common victory of the United Nations. All of these countries are signatories of the Declaration by United Nations.

Text of the Agreement¹

Whereas the Government of the United States of America and the Royal Yugoslav Government declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Government of the United States of America and the Royal Yugoslav Government, as signatories of the Declaration by United Nations of January 1, 1942, have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941, that the defense of Yugoslavia against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Royal Yugoslav Government aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Royal Yugoslav Government receives such aid and of the benefits to be

¹The text here printed conforms to the signed original.

received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and Yugoslavia and will promote the establishment and maintenance of world peace;

And whereas the Government of the United States of America and the Royal Yugoslav Government are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of Yugoslavia have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Royal Yugoslav Government with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Royal Yugoslav Government will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Royal Yugoslav Government will not without the consent of the President of the

United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Royal Yugoslav Government.

ARTICLE IV

If, as a result of the transfer to the Royal Yugoslav Government of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Royal Yugoslav Government will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Royal Yugoslav Government will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Royal Yugoslav Government full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Royal Yugoslav Government subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Royal Yugoslav Government in return

for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Royal Yugoslav Government, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed at Washington in duplicate this twenty-fourth day of July 1942.

For the Government of the United States of America:

CORDELL HULL
*Secretary of State of the
United States of America*

For the Royal Yugoslav Government:

DR. MOMTCHILLO NINTCHITCH
*Minister of Foreign Affairs
of Yugoslavia*

NATIVES AND CITIZENS OF HUNGARY, RUMANIA, AND BULGARIA IN THE UNITED STATES

On July 17, 1942, the President issued a proclamation enjoining all natives, citizens, denizens, or subjects of Hungary, Rumania, and Bulgaria in the United States "to preserve the peace towards the United States and to refrain from crime against the public safety, and from violating the laws of the United States and of the States and Territories thereof; and to refrain from actual hostility or giving information, aid, or comfort to the enemies of the United States or interfering by word or deed with the defense of the United States or the political processes and public opinions thereof; and to comply strictly with the regulations which may be from time to time promulgated by the President."

The proclamation also contains a regulation which prescribes that—

"Any native, citizen, denizen, or subject of Hungary, Rumania, or Bulgaria, of the age of fourteen years and upward, and not actually naturalized, who, in the judgment of the Attorney General or the Secretary of War, as the case may be, is aiding, or about to aid, the enemy, or who may be at large to the danger of the public peace or safety, or who, in the judgment of the Attorney General or the Secretary of War, as the case may be, is violating, or is about to violate any regulation adopted and promulgated by the President, or any criminal law of the United States or of the States or Territories thereof, shall be subject to summary arrest as an alien enemy and to confinement in a place of detention, as may be directed by the President or by any executive officer hereafter designated by the President of the United States."

The Attorney General is charged with the duty of executing the above regulation within the continental United States, Puerto Rico, and the Virgin Islands; and the Secretary of War, in Alaska, the Canal Zone, the Hawaiian Islands, and the Philippine Islands.

The full text of the proclamation (no. 2563) is printed in the *Federal Register* for July 21, 1942, page 5535.

PROCLAIMED LIST: SUPPLEMENT 4 TO REVISION II

[Released to the press July 20]

The Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs, on July 20 issued Supplement 4, July 17, 1942, to Revision II of the Proclaimed List of Certain Blocked Nationals, which was promulgated May 12, 1942.¹

Part I of this supplement contains 239 additional listings in the other American republics and 36 deletions; part II contains 97 additional listings outside the American republics and 7 deletions.

American Republics

RUBBER AGREEMENT WITH ECUADOR

[Released to the press July 21]

Signing of a rubber agreement with the Republic of Ecuador was announced on July 21 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreement, the Rubber Reserve Company will purchase during the next five years all rubber produced in Ecuador which is not required for essential domestic needs.

Ecuador has been producing and exporting relatively small quantities of rubber. Several hundred tons which are now in warehouses will be taken over by the Rubber Reserve Company under the agreement. It is expected that eventually, with development of potential resources

¹ 7 *Federal Register* 5545.

somewhat larger supplies will be available annually from Ecuador.

The Ecuador agreement is the seventh under the United States program to secure for the united war effort the maximum possible amount of rubber produced in the Western Hemisphere. The other agreements, already in effect, are with Brazil, Peru, Nicaragua, Costa Rica, Colombia, and Bolivia. Negotiations for similar agreements are proceeding with a number of other American rubber-producing countries.

Cultural Relations

VISIT TO THE UNITED STATES OF VENEZUELAN ARCHIVIST

[Released to the press July 20]

Dr. Mariano Picón Salas, Director of the National Archives of Caracas, Venezuela, arrived in Washington on Monday, July 20, for a visit at the invitation of the Department of State. He is particularly interested in literature and education, and his itinerary in the United States will include visits to many of the country's leading universities and cultural centers.

Dr. Picón Salas was educated at the University of Chile and was for a number of years professor of the history of art in the School of Fine Arts and professor of general literature at the Pedagogical Institute of that University. He was also librarian in charge of the catalogue section of the National Library. In 1936 he became superintendent of education in Venezuela and in 1937 he was in charge of a diplomatic mission to Czechoslovakia.

Before assuming his present post Dr. Picón Salas was director of the Cultural Division of the Ministry of Education, which corresponds, in general, to the Division of Cultural Relations of the Department of State. He is the author of the outstanding contemporary work on Venezuelan literary criticism, *The Formation and Development of Venezuelan Literature*, and is known throughout the other American republics as an editor and critic.

VISIT TO THE UNITED STATES OF BRAZILIAN HISTORIAN

[Released to the press July 23]

Dr. Dante de Laytano, professor of American history in the University of Porto Alegre, Brazil, arrived in Washington by plane on July 22 as a guest of the Department of State. Dr. de Laytano, an eminent historian, is chief of the historical archives of Rio Grande do Sul and edits the quarterly published by the Historical Institute of that State. A member of many learned societies, he is author of a long list of published books, several of which deal with studies of Negro life and culture in Brazil.

He has also made numerous investigations of linguistics in Brazil, especially among cattlemen and fishermen of the south coast.

The Foreign Service

RESIGNATION OF AMBASSADOR LEAHY

[Released to the press by the White House July 25]

On July 18 Admiral William D. Leahy, American Ambassador to France, addressed the following letter to the President:

"In order that my services may be available at any time to the national defense, I beg to tender herewith my resignation as Ambassador to France. I beg you to accept, Mr. President, my appreciation of the high honor you have conferred upon me by appointing me to this important post."

The President sent the following reply to Admiral Leahy on July 24:

"In calling you to active duty as Chief of Staff to the Commander-in-Chief of the United States Army and Navy, I accept your resignation as Ambassador to France. In so doing I want you to know first of all of my great satisfaction in the way in which you have carried out an extremely difficult task at an extremely difficult time and, second, that there has been

such good agreement in our national policy in respect to France during your Ambassadorship. In the words of the Navy: 'Well done'."

PERSONNEL CHANGES

[Released to the press July 25]

The following changes have occurred in the American Foreign Service since July 18, 1942:

Gilson Blake, of Portland, Oreg., formerly Second Secretary of Embassy at Rome, Italy, has been assigned for duty in the Department of State.

Kenneth A. Byrns, of Greeley, Colo., Third Secretary of Embassy and Vice Consul at Mexico City, Mexico, has been assigned as Vice Consul at Veracruz, Mexico.

Reginald Castleman, of Riverside, Calif., Consul at Bahia, Brazil, has been assigned as Consul at Bello Horizonte, Brazil, in order to open a new office.

William E. Cole, Jr., of Fort Totten, N. Y., formerly Third Secretary of Embassy at Rome, Italy, has been assigned as Vice Consul at St. John's, Newfoundland.

John B. Faust, of Denmark, S. C., Second Secretary of Embassy and Consul at Santiago, Chile, has been designated Second Secretary of the Legation and Consul at Tegucigalpa, Honduras, and will serve in dual capacity.

Robert F. Hale, of Portland, Oreg., Vice Consul at Veracruz, Mexico, has been des-

ignated Third Secretary of Embassy and Vice Consul at Mexico City, Mexico, and will serve in dual capacity.

Edward D. McLaughlin, of Little Rock, Ark., Second Secretary of Embassy and Consul at Rio de Janeiro, Brazil, has been assigned as Consul at Pará, Brazil.

Augustus Ostertag, of Downingtown, Pa., Vice Consul at Basel, Switzerland, has been appointed Vice Consul at Port-of-Spain, Trinidad, British West Indies.

Joseph Ramon Solana, of Asheville, N. C., has been appointed Vice Consul at Habana, Cuba.

Orray Taft, Jr., of Santa Barbara, Calif., Vice Consul at Mexicali, Mexico, has been assigned as Consul at Mexicali, Mexico.

The assignment of Milton Patterson Thompson, of Chattanooga, Tenn., as Vice Consul at Durango, Mexico, has been canceled. Mr. Thompson will remain as Vice Consul at Nuevitas, Cuba.

Earle O. Titus, of North Miami, Fla., Clerk at Madrid, Spain, has been appointed Vice Consul at Madrid, Spain.

Jay Walker, of Washington, D. C., consul at Pará, Brazil, has been assigned as Consul at Bahia, Brazil.

William W. Walker, of Asheville, N. C., Vice Consul at Colón, Panama, has been assigned as Vice Consul at Habana, Cuba.

Treaty Information

TELECOMMUNICATIONS

International Telecommunication Convention

Croatia

According to notification no. 407, dated May 16, 1942, from the Bureau of the International Telecommunication Union at Bern the Legation of Spain at Bern notified the Bureau by a letter dated May 5, 1942 that Croatia had ad-

hered, as of July 7, 1941, to the International Telecommunication Convention and the Regulations annexed thereto signed at Madrid December 9, 1932.

Haiti

There is quoted below in translation a communication dated March 26, 1942 from the Secretary of State for Foreign Affairs of Haiti to the Bureau of the International Telecommuni-

cation Union at Bern as it appears in notification no. 407 of May 16, 1942 from the Bureau:

"REPUBLIC OF HAITI

"Letter dated March 26, 1942 from the Department of State for Foreign Affairs at Port-au-Prince:

"Supplementing the letter of October 15, 1940 from the Department of State,¹ I regret to inform you that, on account of the special circumstances created by the present war in which, today, it finds itself engaged, the Republic of Haiti has decided to offer its resignation as a member of the Bureau of the International Telecommunications Union.

"In requesting that acknowledgment be made of this resignation, which should have full and entire effect in conformity with the by-laws of the Union, this Department of State feels that it must emphasize the fact that the Republic of Haiti, while constrained to take such a decision by the turn of international events, is none the less happy to have for so long shared in the work of the International Telecommunications Union with an ever greater desire to work for the establishment of the longed-for era of good relations and complete solidarity between States."

"The Bureau of the Union has acknowledged receipt of this letter, drawing the attention of the Department of State for Foreign Affairs at Port-au-Prince to the provisions of article 10 of the International Telecommunication Convention."

Article 10 of the convention, which provides for the denunciation of the convention by the contracting parties, is as follows:

"1. Each contracting government shall have the right to denounce the present Convention

¹ A footnote quotes this letter in which it was stated that Haiti would have to suspend its payments to the Union until better times. The Bureau had replied with a telegram asking confirmation of its understanding that such payments would be made later, with 6 percent interest according to article 17, § 3 (5) of the International Telecommunication Convention of December 9, 1932.

by a notification, addressed, through diplomatic channels, to the government of the country in which was held the conference of plenipotentiaries that has drawn up the present Convention, and announced by this government to all the other contracting governments, likewise through diplomatic channels.

"2. This denunciation shall take effect at the expiration of the period of one year, beginning with the day on which the notification was received by the government of the country in which the last conference of plenipotentiaries was held. This effect shall apply only to the author of the denunciation; the Convention shall remain in force for the other contracting governments."

RESTRICTION OF WAR

Convention Relating to the Treatment of Prisoners of War

Costa Rica

The American Minister at San José transmitted to Secretary of State with a despatch of July 13, 1942 a copy of a decree, published in *La Gaceta* of July 12, 1942, authorizing the Executive Power to declare the adherence of the Republic of Costa Rica to the Convention Relating to the Treatment of Prisoners of War, signed at Geneva July 27, 1929 (Treaty Series 846).

COMMERCE

Trade Agreement with Uruguay

On July 21, 1942 a trade agreement between the United States and Uruguay was signed at Montevideo by the Uruguayan Minister of Foreign Affairs and the American Ambassador to Uruguay. It will be printed in the Executive Agreement Series.

MUTUAL GUARANTIES

Mutual-Aid Agreement with Yugoslavia

The text of an agreement between the Governments of the United States and Yugoslavia, signed July 24, 1942, on the principles applying to mutual aid in the prosecution of the war, appears in this *Bulletin* under the heading "The War".

STRATEGIC MATERIALS

Agreement with Ecuador

An announcement regarding the signature of an agreement with Ecuador under the terms of which the Rubber Reserve Company will purchase rubber produced in Ecuador appears in this *Bulletin* under the heading "American Republics".

Legislation

Preserving the nationality of a person born in Puerto Rico who resides for 5 years in a foreign state. H. Rept. 2373, 77th Cong., on H.R. 6165. 3 pp.

Use of the Red Cross emblem and the coat of arms of the Swiss Confederation for commercial purposes. H. Rept. 2387, 77th Cong., on H.R. 7420. [Incorporates report, dated April 1, 1942, from the Acting Secretary of State to the President, recommending enactment of legislation.] 8 pp.

Publications

DEPARTMENT OF STATE

The Department of State of the United States. Prepared by William Gerber, Division of Research and Publication. January 1942. 1942. Publication 1744. vi, 91 pp., illus. 20¢.

International Traffic in Arms: Regulations Issued on June 2, 1942 by the Secretary of State, Governing Registration and Licensing Under Section 12 of the Joint Resolution Approved November 4, 1939 and Related Laws. 8th ed. Publication 1759. iv, 51 pp. 10¢.

Exchange of Official Publications: Agreement Between the United States and Panama—Effectuated by Exchange of Notes Signed November 27, 1941 and March 7, 1942; effective November 27, 1941. Executive Agreement Series 243. Publication 1760. 7 pp. 5¢.

The Proclaimed List of Certain Blocked Nationals Supplement 4, July 17, 1942, to Revision II of May 12, 1942. 1942. Publication 1763. 19 pp. Free.

Diplomatic List, July 1942. Publication 1764. ii, 10 pp. Subscription, \$1 a year; single copy, 10¢.

U. S. GOVERNMENT PRINTING OFFICE: 1942

For sale by the Superintendent of Documents, Washington, D. C.—Price, 10 cents - - - Subscription price, \$2.75 a year

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THE DEPARTMENT OF STATE BULLETIN

JULY 25, 1942, SUPPLEMENT
VOL. VII, No. 161A—PUBLICATION 1784

Trade Agreement With Uruguay

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NOTE

This information has been prepared by representatives of the Department of State, the Department of Agriculture, the Department of Commerce, the Department of the Treasury, and the Tariff Commission. These Government agencies, under the reciprocal-trade-agreements program, cooperate in the formulation, negotiation, and conclusion of all trade agreements entered into by the United States under the provisions of the Trade Agreements Act of 1934, as extended by joint resolutions of Congress of March 1, 1937 and April 12, 1940.

Trade Agreement With Uruguay

ANALYSIS OF GENERAL PROVISIONS AND RECIPROCAL BENEFITS

Released to the press July 21]

SIGNATURE OF AGREEMENT

A reciprocal trade agreement between the United States and Uruguay, negotiated under the authority of the Trade Agreements Act, was signed on July 21 at Montevideo by William Dawson, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Oriental Republic of Uruguay, and His Excellency Dr. Don Alberto Guani, Minister of Foreign Affairs of the Oriental Republic of Uruguay. After formal approval of the agreement in Uruguay and its proclamation by the President of the United States, the agreement will enter into force 30 days subsequent to the exchange of the Uruguayan Government's instrument of ratification and the proclamation by the President of the United States. The text of the agreement will be printed in the Executive Agreement Series.

The agreement is designed to facilitate trade between the two countries during the present emergency as well as to provide a basis for an expansion of that trade after the war. The reciprocal tariff concessions for which it provides cover a substantial portion of the normal trade between them. These concessions include tariff reductions on specified products; binding of certain tariff rates against increase; and bindings of specified commodities free of duty. The general provisions of the agreement provide, among other things, important assurances against discriminatory tariff, quota, or exchange

treatment of imports from either country into the other.

Trade between the United States and Uruguay has increased in recent years, except for a setback in 1938. Total trade between the two countries, which amounted to \$46,922,000 in 1929, fell sharply during depression years to a low of \$5,321,000 in 1932. Total trade had risen by 1937 to \$27,012,000 but dropped again to \$9,811,000 in 1938. It recovered in 1939 and amounted to \$14,558,000, and in 1940, under the stimulus of the war, it reached \$28,904,000.

In the decade prior to 1931 United States exports to Uruguay were greater, on the average, than its imports from Uruguay. During the decade 1931-1940, however, the United States, on the average, had an import balance in its trade with Uruguay. During the period 1921-1930 United States exports to Uruguay averaged \$20,351,000 annually, and imports from Uruguay averaged \$14,613,000. During the period 1931-1940 exports to Uruguay averaged \$7,197,000 and imports from Uruguay, \$7,915,000.

United States exports to Uruguay consist primarily of manufactured and processed articles. Imports from Uruguay, on the other hand, are chiefly raw materials. Of total exports of domestic merchandise to Uruguay in 1940, amounting to \$11,126,000, iron- and steel-mill products accounted for \$3,473,000; agricultural machinery and implements, \$859,000; automobiles, parts, and accessories, \$813,000; wood and paper products, \$492,000; cotton

yarn, \$221,000; radio apparatus, \$171,000; leaf tobacco, \$132,000; food products, \$167,000; automatic refrigerators and parts, \$105,000; office appliances and parts, \$74,000; sulphur, \$69,000; and aeronautical apparatus, \$59,000. Total imports for consumption from Uruguay in 1940 were valued at \$17,009,000, of which wool accounted for \$11,815,000; flaxseed, \$2,294,000; and canned meat, \$824,000.

SUMMARY OF AGREEMENT

A. CONCESSIONS OBTAINED BY THE UNITED STATES

In the agreement, Uruguayan tariff concessions are obtained on a long list of United States agricultural and industrial products included in 141 Uruguayan tariff items. Exports of these products from the United States to Uruguay in 1940 were valued at \$2,715,000, or 24.4 percent of total United States exports of domestic merchandise to Uruguay in that year which were valued at \$11,126,000.

Uruguayan import charges are reduced on 81 items. United States exports to Uruguay in 1940 of products covered by these items were valued at \$1,483,000, or 13.3 percent of the total. Existing import charges are bound on 47 items covering commodities of which the United States exports to Uruguay in 1940 were valued at \$555,000, or 5 percent of the total. The agreement binds the duty-free status of 13 items, covering products of which the United States exports to Uruguay in 1940 were valued at \$677,000, or 6.1 percent of the total.

In addition to providing for more favorable tariff treatment on United States exports to Uruguay, the provisions of the agreement simplify the procedure for determining the amount of duty applicable to merchandise imported into Uruguay upon which concessions are obtained in schedule I. Except for a relatively small number of items which are dutiable on an ad valorem basis, Uruguayan basic tariff rates and various surtaxes are assessed on fixed official customs valuations which are subject to periodical revision. Furthermore, the Uruguayan tariff law includes a requirement, in

effect since 1931, that 25 percent of the duty (50 percent in the case of some items) must be paid in gold or its equivalent in paper currency. At current rates of exchange the effect of this requirement is to increase by 41.85 percent the amount of duty imposed on those items on which 25 percent of the duty must be paid in gold and by 83.7 percent the amount imposed on those items on which 50 percent of the duty must be paid in gold.

Therefore, the actual amount of the duty imposed on a given item must be determined by applying to the official valuation the rates of duty and of surtaxes and then calculating the effect of the gold-payment requirement in increasing the amount of the duty. On items listed in schedule I of the agreement, however, the duties are stated in terms of a "total calculated duty" in paper pesos per given unit, so that the computation previously required is no longer necessary.

B. CONCESSIONS GRANTED BY THE UNITED STATES

Imports from Uruguay of commodities which the United States grants concessions to that country in schedule II of the agreement were valued in 1938 at \$4,580,000 or 85.5 percent of the value of total imports from Uruguay in that year. In 1939 such imports were valued at \$5,042,000 or 58.7 percent of the total, and in 1940 at \$5,376,000 or 31.6 percent of the total. The proportion declined in 1940 largely because in that year the United States purchased from Uruguay unusually large quantities of wool of the finer grades, on which no concession is made in the agreement. Except for unmanufactured agates, all commodities included in schedule II of the agreement with Uruguay were included in schedule II of the agreement with Argentina, effective November 15, 1941, and the same rates of duty are provided in both agreements.

Dutiable items.—In the present agreement the United States granted concessions on dutiable commodities, imports of which were valued in 1938 at \$4,305,000, or 80.4 percent of total United States imports from Uruguay.

tates imports from Uruguay in that year. In 1939 such imports were valued at \$4,483,000, or 22.2 percent of the total, and in 1940 at \$4,765,000, or 28.0 percent of the total.

The principal dutiable commodities, by value, on which concessions are given in schedule II are: Flaxseed; certain prepared or preserved meats, principally canned corned beef; lard; bovine hides and skins; and certain coarse wools. Other commodities in this group are: Tallow; oleo oil and oleo stearin; meat extracts; and glycerin, crude and refined.

Free list.—Commodities bound on the free list under schedule II include: Unmanufactured agates; dried blood; crude bones, steamed or ground; bone dust, bone meal, and bone charcoal; animal carbon suitable only for fertilizer; sausage casings.

C. GENERAL PROVISIONS OF THE AGREEMENT

The general provisions of the agreement provide for the carrying into effect of the tariff concessions listed in the schedules annexed to the agreement and define the territory to which the agreement shall apply. They also contain most-favored-nation provisions assuring that any tariff concession on any product accorded by either country to any third country will be extended immediately and without compensation to the other party to the agreement, exceptions being made regarding special trade advantages accorded by the United States to Cuba, and, in an exchange of notes accompanying the agreement, regarding special tariff advantages accorded by Uruguay to contiguous countries, Paraguay or Bolivia, by means of trade agreements embodying tariff reductions and exemptions.

Moreover, the agreement contains provisions extending the principle of non-discriminatory treatment generally to measures relating to exchange control and import restrictions which, in the last decade, have characterized Uruguay's commercial policy. These measures have involved serious difficulties for

American exporters to Uruguay, and the provisions of the agreement contain valuable assurances relating thereto.

The exchange provisions of the agreement, contained in article IV, provide in general that henceforth imports of any article into either country from the other shall be accorded, in regard to restrictions or delays on payments, rates of exchange, and related charges, treatment no less favorable than that accorded imports of the like article from any third country. Likewise, article III, relating to quantitative import restrictions, contains reciprocal assurances of non-discriminatory treatment in the application by either country to imports from the other of import quotas, prohibitions, and other forms of restrictions on imports by providing that the share of either country in any allocated quota shall be based upon the proportion of the total imports of the product subject to quota supplied by the other country in a previous representative period. However, because of the loss of Uruguay's markets in continental Europe and the blocking of the exchange created by its exports to the "sterling area" since the outbreak of hostilities in 1939, two exchanges of notes in connection with the agreement except temporarily from the exchange and quota provisions of the agreement special exchange or quota facilities which Uruguay may accord to contiguous countries, Paraguay, Bolivia, or the "sterling area" covered by the existing payments arrangement in effect between Uruguay and the United Kingdom.

The agreement also contains a provision whereby consultation between the two Governments regarding all matters affecting the operation of the agreement is provided for through the medium of a mixed commission consisting of representatives of each Government.

ANALYSIS OF INDIVIDUAL CONCESSIONS OBTAINED ON EXPORTS OF UNITED STATES PRODUCTS

The following paragraphs contain details of the concessions obtained on United States ex-

ports to Uruguay which are included in schedule I of the trade agreement and data on trade in those items.

Foodstuffs

Because of its geographic and economic situation Uruguay, with regard to foodstuffs, depends on other countries only for certain articles of food which those countries are especially well situated to produce, and for special preparations and other articles of secondary importance either not produced in Uruguay or not produced there in sufficient quantity to meet that country's requirements. Under normal conditions, Uruguay imports large quantities of coffee from Brazil; olives and olive oil, chestnuts, certain canned goods, and sardines from Spain; sugar, canned fish, salt, and tea from the United Kingdom; barley, dried milk, peanuts, and raisins from Argentina; and prunes, dietetic flours, walnuts, raisins, and fresh apples from the United States. In 1940 the United States exported about \$167,000 worth of foodstuffs to Uruguay, and about three fourths of this trade is covered by tariff concessions obtained in the agreement. The remaining one-fourth consists of miscellaneous exports which are individually small.

Fruits and nuts.—Among the most important United States exports of foodstuffs to Uruguay are prunes, fresh apples, raisins, and walnuts. The agreement provides for a seasonal reduction of the import duty¹ on fresh apples by 64 percent from September 1 of each year until the last day of February of the following year. This period covers the usual shipping season for fresh apples exported to Uruguay, which is also the best selling season there because few, if any, Uruguayan or Argentine apples are on the Uruguayan market at that time. The import duty on prunes is reduced by 30 percent, and it is believed that this reduction will considerably enlarge the Uruguayan market for this fruit. The import duty on seedless raisins

¹ "Import duty" as used in this section of the analysis includes the base duty, surtaxes (except certain minor administrative fees), and any charges arising from the requirement that a portion of the import charges be paid in gold pesos.

is lowered by one-half; that on fruit and vegetable juices, by 47 percent; those on raisins with seeds, shelled and unshelled walnuts and pecans, and canned asparagus, by 30 percent and that on concentrated grape juice, by 23 percent. Present low rates of duty on hops and on malted milk are bound against increase.

Canned fish.—The import duty on canned salmon and mackerel is reduced by 30 percent. Sardines have been bound at the present moderate duty, and the Uruguayan tariff description has been expanded to include sardines packed in tomato sauce.

Cigarettes and Tobacco

The import duty on cigarettes is lowered 30 percent, and the Uruguayan market for the United States product is expected to increase as lower prices bring United States cigarettes within the range of a larger consuming public. United States exports of cigarettes to Uruguay during 1940 were valued at \$37,000. Unmanufactured tobacco will also benefit from the agreement through the binding of the present moderate import duty. Exports of United States tobacco to Uruguay in 1940 were valued at \$132,000.

Automobiles, Parts, and Accessories

The agreement provides for reductions in Uruguayan duties on passenger cars and chassis, busses and bus chassis, truck chassis, driven cabs for trucks or busses, and certain automobile parts. On other automobile parts and accessories the existing favorable customs treatment is bound. In the past, Uruguay has been an important market for United States automotive products. In recent years, however, the value of United States exports of these products to Uruguay has fluctuated widely in accordance with Uruguay's supply of dollar exchange. The exchange situation has improved recently. The substantial reductions in duties on important automotive items are designed to assist the United States automobile industry to regain its former Uruguayan market.

Passenger cars and chassis.—The agreement provides for a reduction of over 20 percent

the duty on passenger cars and chassis. Trade in these items was formerly large but has declined sharply in recent years. United States exports of passenger cars and chassis to Uruguay in 1940 were valued at \$252,000.

Busses, bus chassis, and truck chassis.—Busses and bus chassis were already dutiable at very favorable rates prior to the agreement and these rates are reduced in the agreement by 29 to 30 percent. Separate trade figures for busses are not available.

There are practically no United States exports to Uruguay of trucks complete with bodies. Most truck bodies used in Uruguay are made locally and mounted on imported chassis. The value of United States exports of busses, bus chassis, and truck chassis to Uruguay in 1940 amounted to \$236,000.

Automobile parts and accessories.—The agreement provides for a reduction of 30 percent in the import duty on a specified list of engine, clutch, transmission, differential, and steering-gear parts. The generally favorable duties on the remainder of the parts-and-accessories schedule are bound against increase. This binding applies to parts and accessories for trucks, tractors, and busses as well as for passenger cars. United States exports of these products to Uruguay were valued at \$324,000 in 1940.

Electrical Equipment and Apparatus

Radio apparatus.—Uruguayan industry supplies a very large part of that country's requirements for radio sets. The agreement provides for a reduction of 30 percent in the Uruguayan duties on apparatus, parts, tubes, and accessories (excluding complete sets), and United States exporters are assured that the Uruguayan duty on complete sets will not be increased over the present rate, which is bound in the agreement.

Exports of United States radio sets to Uruguay were valued at \$52,000 in 1940. Parts and accessories exported to Uruguay in 1940 were valued at \$86,000. Parts have replaced complete sets as the major item in the trade,

as Uruguayan assembly operations have been expanding. The trade in radio tubes has been fairly well maintained, averaging \$31,500 a year during the last decade and amounting to \$20,000 in 1940.

Automatic refrigerators.—The Uruguayan duty on automatic refrigerators is lowered by 23 percent, and that on separate refrigeration mechanisms by 30 percent. The United States has been the chief supplier of automatic refrigerators to the Uruguayan market. There is some domestic assembly of refrigerators in Uruguay and the United States has also had the bulk of the market for separate refrigeration units. In 1940 Uruguay purchased from the United States complete refrigerators amounting in value to \$78,000 and separate refrigeration mechanisms valued at \$27,000.

Other electrical equipment.—The Uruguayan duties on electric plants for light and power, including wind-driven electric-power generating devices; on storage batteries, including automobile and radio storage batteries; and on standing or wall electric fans, are reduced by 30 percent.

The trade in storage batteries was formerly important but has declined. It amounted to \$19,000 in 1940. However the various concessions in the agreement on automobiles, radios, and the batteries themselves make possible an increase in Uruguayan imports of storage batteries.

The concessions obtained on electric plants for light and power and on electric fans should prove of advantage to United States manufacturers, especially manufacturers of the wind-driven type of electric generating devices.

Machinery and Appliances

Agricultural machinery.—For many years agricultural machinery has been duty free in Uruguay and trade in these products has been important to the United States, which has been the chief supplier of a number of items. The duty-free status of tractors of all kinds for agriculture (as well as of industrial tractors) is bound. United States exports of tractors

to Uruguay have had an average annual value of \$329,000 during the last 10 years, and in 1940 these exports were valued at \$479,000.

Plows of all kinds are also bound duty-free for the life of the agreement. The value of plows exported from the United States to Uruguay in the last decade has averaged \$73,000 a year and in 1940 these exports were valued at \$83,000.

Industrial machinery.—The United States has generally been the chief supplier of Uruguayan imports of industrial machinery in the lighter-weight classification (industrial machines, n.s.p.f., weighing up to 100 kilograms each), but not of heavy machinery. The generally favorable import duties on the lighter-weight machines, averaging 7 to 10 percent ad valorem, are bound against increase. Similarly, favorable import duties on certain replacement and repair parts for this type of machinery, of which the United States is the chief supplier, are bound.

Other important concessions obtained on industrial machinery are the bindings of the duty-free status of wheel and track-laying types of industrial tractors and of windmills and their accessories and parts. United States exports of windmills to Uruguay have been an important item, valued at \$56,000 in 1940.

Office appliances.—A number of concessions have been obtained on the major items of office appliances and equipment, including a 30-percent reduction in duties on cash registers and parts, on standard and portable typewriters, and on calculating, adding, bookkeeping, and accounting machines. The duties on parts for all these machines (except cash registers) are reduced by 84 percent. The present duty on steel files (cabinets) and furniture of iron or steel is bound against increase.

Office machines and appliances have been an important part of the United States export trade to Uruguay, although shipments of most of these machines and parts have declined in recent years. In 1940 United States exports to Uruguay included \$19,000 worth of cash registers and parts; \$20,000 worth of calculating, adding, bookkeeping, and accounting machines and

parts; \$24,000 worth of standard, and \$3,000 worth of portable, typewriters and parts.

Forest Products

Lumber.—Outstanding among the concessions obtained are those on United States hardwood and softwood lumber. The agreement provides for a reduction of 50 percent in the import duty on tea or pitch-pine lumber, sugar pine and California white-pine lumber, and Douglas fir lumber. On oak lumber the duty is reduced by 30 percent. Thus, lumber products from the southern, the eastern, the western and the northwestern portions of the United States will be able to enter the Uruguayan market at lower tariffs.

The agreement also binds for its duration Uruguayan decree of June 7, 1940, which provides that, under certain conditions, material for construction, including lumber, will receive a reduction of one-half the import duty. Furthermore the agreement specifically provides that this additional reduction of one-half the duty will be applied to the reduced rate specified in schedule I for tea pine or pitch pine, sugar pine and California white pine, and Douglas fir. Thus, lumber of these species imported under the conditions specified in the Uruguayan decree of June 7, 1940, will enter at a duty 75 percent below the duty in effect previous to that decree.

United States exports of lumber to Uruguay, particularly of tea pine or pitch pine, have been large in the past but have declined in recent years. Uruguayan concessions in this agreement on certain typical United States lumber will improve the position of this lumber in the Uruguayan market. United States exports of pitch-pine lumber to Uruguay were valued at \$81,000 in 1940, those of sugar pine and California pine at \$18,000. United States exports of Douglas fir lumber to Uruguay in 1940 were valued at \$1,000 and those of oak lumber at \$5,000.

Cooperage.—The moderate duties on staves, shooks, and headings of all kinds of wood in barrels and casks of all sizes and for all purposes are bound against increase. In addition

the import duties are lowered by 30 percent on unassembled barrels and casks up to 500 liters capacity. Exports of these items from the United States to Uruguay in 1940 were valued at \$48,000.

Composition boards.—The import duty is reduced by 30 percent on cardboard of wood fiber or construction; on vulcanized fiber in bars, sheets, tubes, etc.; and on cardboard and paper impregnated with other materials including pastes, chalk, sawdust, and the like. The total value of United States exports to Uruguay of these products in 1940 was \$6,000.

Paper products.—The agreement provides for 30-percent reduction in import duties on certain hygienic paper in rolls, squares, or other forms. Exports to Uruguay of these items amounted to \$5,000 in 1940.

Naval stores.—Present favorable import duties on gum spirits of turpentine and wood turpentine and on rosin, gum or wood, dark and clear, are bound against increase. The United States formerly enjoyed an extensive trade with Uruguay in these products but shipments have decreased in recent years, amounting in 1940 to \$6,000 for turpentine and \$42,000 for rosin.

Aeronautical Apparatus

The present duty-free status of aviation apparatus (aircraft of all kinds), airplane motors, and parts for replacement and assembly of aircraft, is bound during the life of the agreement. Uruguay has not heretofore been a large importer of aeronautical apparatus. In 1940 the United States sold \$59,000 worth of such apparatus to Uruguay.

Chemical and Related Products

The present moderate Uruguayan duty on sulphur is bound against increase in the agreement. Exports of sulphur from the United States to Uruguay have not been large in the past, but \$69,000 worth was shipped in 1940.

The duty on nitrocellulose and pyroxylin lacquers, typical and important United States export products, is reduced by 30 percent. These products are specifically included, under the

agreement, in a Uruguayan tariff classification which covers varnish, clear or with the addition of any coloring matter, whether concentrated or not.

A 30-percent reduction is also obtained for medicinal petroleum jelly; for liquid insecticides with a base of pyrethrum or of ethers and hydrocarbides; and for composition-coated roofing paper. The existing rate on certain liquid roofing compounds is bound against increase.

The United States is generally the chief supplier of Uruguayan imports of nitrocellulose or pyroxylin lacquers, medicinal petroleum jelly, liquid insecticides, and roofing compounds and paper.

Cotton Yarns

The moderate Uruguayan duties on cotton yarns, both crude and colored, are bound against increase. The United States has, in the past, sold large quantities of such yarns in Uruguay. Exports of both kinds of yarn have decreased in recent years. United States shipments of crude yarn to Uruguay in 1940 were valued at \$54,000, and those of colored yarns at \$150,000.

Motion-Picture Films

The Uruguayan import duty on exposed motion-picture films, including positives and negatives, is reduced by 30 percent. United States shipments of films to Uruguay have been fairly well maintained and were valued at \$35,000 in 1940. The United States has long been Uruguay's chief supplier of motion-picture films.

ANALYSIS OF INDIVIDUAL CONCESSIONS ON IMPORTS INTO THE UNITED STATES

Details of the concessions granted by the United States to Uruguay on products listed in schedule II of the agreement, and information on the trade, production, and consumption, and prices of these products, are given in the following paragraphs. Numbers in parentheses refer to paragraphs in the Tariff Act of 1930.

Casein or Lactarene and Mixtures of Which Casein or Lactarene Is the Component Material of Chief Value, Not Specially Provided for (par. 19)

The duty on casein or lactarene under the Tariff Act of 1930 was $5\frac{1}{2}$ cents per pound. Under the act of 1922 it was $2\frac{1}{2}$ cents per pound. Under the trade agreement with Uruguay, as in that with Argentina which became effective November 15, 1941, the duty is reduced to $2\frac{3}{4}$ cents per pound. The ad-valorem equivalent of the $5\frac{1}{2}$ -cent rate has ranged in recent years from about 80 percent to about 110 percent. On the basis of imports in 1939 the reduced rate of $2\frac{3}{4}$ cents per pound would have been equal to about 49 percent ad valorem.

The volume of United States casein production is determined in part by the price of casein but more largely by total production of whole milk and the proportions of that production marketed as fluid milk and used in the manufacture of creamery butter, cheese, and condensed and evaporated milk. Casein is a by-product of the skim-milk derived from the manufacture of creamery butter and normally the greater portion of this skim-milk is used in feeding livestock rather than in producing casein. Moreover when a larger proportion of total milk production is diverted from manufacture of butter into the manufacture of cheese and of dried and condensed milk, the quantity of skim-milk available for manufacture of casein is reduced.

In the period 1931-1940 imports of casein into the United States ranged from 417,000 pounds in 1938 to 24,523,000 pounds in 1940, with an annual average of 8 million pounds for the period. These imports accounted for less than 1 percent of consumption in 1938 and for about 33 percent in 1940. Uruguay was second to Argentina in 1940 and in the first 6 months of 1941 as a supplier of casein imports into the United States.

In the period 1929-1940 the average price per pound of 20-30-mesh domestic casein (f.o.b. plant in 5-ton lots) decreased from

15.4 cents in 1929 to 6.2 cents in 1932 and then increased to 16.5 cents in 1936, the peak year of the period. The price was 19.8 cents as of May 16, 1941, and 20.8 cents as of May 15, 1942.

Glycerin, Crude and Refined (par. 42)

The duty on crude glycerin from countries other than Cuba was 1 cent per pound under the act of 1930 and was reduced to $\frac{8}{10}$ cent per pound under the trade agreement with France, effective June 15, 1936. The duty on imports from Cuba was reduced from $\frac{8}{10}$ cent to $\frac{4}{10}$ cent per pound in the Cuban agreement effective September 3, 1934. The ad-valorem equivalent of the duty on crude glycerin from countries other than Cuba was 10 percent in 1939. The rate of $\frac{8}{10}$ cent per pound is bound in the agreement with Uruguay, as it is in the agreement with Argentina.

The duty on refined glycerin under the act of 1930 was 2 cents per pound and was reduced to $1\frac{2}{3}$ cents per pound in the agreement with the Netherlands, effective February 1, 1934. It was automatically reduced to $1\frac{7}{15}$ cents per pound by the reduction in the duty on crude glycerin in the agreement with France. The duty of $1\frac{7}{15}$ cents per pound is bound in the agreement with Uruguay, as it was in the agreement with Argentina. The ad-valorem equivalent of the duty on refined glycerin was 17 percent in 1939.

Crude glycerin is a by-product of the soap and fatty-acids industries and its production has ordinarily depended in large part upon the production of those commodities. It is, however, a vital ingredient of essential war materials and requirements for glycerin in 1942 are expected to exceed even the record 1939 production. Furthermore, about one-fourth of the United States consumption of glycerin was formerly obtained from coconut oil imported from the Philippine Islands.

In the 6-year period 1935-1940 United States production of crude glycerin ranged between 141 million pounds in 1935 and 197 million pounds in 1940; the annual average for the period was 168 million pounds. Production of refined glycerin in that period ranged from

of 123 million pounds in 1935 to a high of 2 million pounds in 1940. The annual average for the period was 142 million pounds.

In 1935-1940, imports of crude glycerin varied from 8.2 million pounds in 1935 to 13.4 million pounds in 1937, and averaged about 11 million pounds per year. Imports of refined glycerin in the same period ranged between 100,000 pounds in 1935 and 7.5 million pounds in 1937, averaging about 2.4 million pounds. Imports of refined glycerin amounted to 330,000 pounds in 1939 and 298,000 pounds in 1940. Imports of glycerin, reported as "alcohols: glycerin", consist chiefly of refined glycerin and, since 1937, have exceeded imports.

Uruguay was the fourth country in importance as a supplier of crude glycerin in 1940, furnishing 8.5 percent of the United States imports, and third in the first 6 months of 1941, furnishing 9.3 percent.

Tallow, Oleo Oil, and Oleo Stearin (par. 701)

Imports of tallow, oleo oil, and oleo stearin are dutiable under the act of 1930 and since 1936 have also been subject to an import tax under the Internal Revenue Code. Reductions in both the tariff and the import tax are made under the agreements with Uruguay and with Argentina and may be summarized as follows:

[In cents per pound]

Commodity	Previous to trade agreement			Under trade agreement		
	Tariff duty	Import tax	Combined duty and tax	Tariff duty	Import tax	Combined duty and tax
Tallow:						
Edible.....	½	3	3½	¼	1½	1¾
Edible.....	½	3	3½	¼	1½	1¾
Oil.....	1	3	4	½	1½	2
Stearin.....	1	3	4	½	1½	2

The ad-valorem equivalent of the combined tariff and import tax on inedible tallow was 61 percent in 1938, 120 percent in 1939, and 111 percent in 1940. On the basis of the 1939 imports the ad-valorem equivalent of the agreement rates would have been 60 percent. Practically all imports of tallow in the past 3 years

have been of the indelible type. The ad-valorem equivalent of the combined duty and tax on oleo stearin was 107 percent in 1938 and 75 percent in 1939. On the basis of the new agreement rate and the 1939 imports, the ad-valorem equivalent would have been 37 percent. Imports of oleo products have been chiefly of oleo stearin.

Tallow.—Imports of tallow into the United States are very small in comparison with domestic production, consumption, and exports. Since 1929 imports have been exceeded by United States exports except in the years when the 1934 and 1936 droughts drastically reduced domestic production of tallow, lard, and greases. Domestic production of tallow decreased from 667 million pounds in 1934 to 466 million in 1935. In 1940 it had risen to 790 million pounds of which 79 million pounds was edible tallow.

Imports of tallow into the United States averaged approximately 14 million pounds a year in 1927-1929, and increased to 43 million pounds in 1934 and to 246 million in 1935. These increases were due not only to the effects of the drought but also to the imposition by the United States of import taxes on certain other competing oils, particularly palm and whale oils. In 1936 importations declined to 79 million pounds, of which 76 million entered before the import tax became effective in August. Since that time imports of all kinds of tallow have been very small and practically no edible tallow has entered since 1938. In the first 6 months of 1941 Uruguay, led by Argentina and Canada, ranked third as a supplier of imports of tallow into the United States.

Oleo oil and oleo stearin.—About two-thirds of the United States production of oleo products usually is oleo oil. Imports of these products ordinarily are small in comparison with domestic production.

In 1936 domestic production of oleo oil and oleo stearin was 147 million pounds—the highest in any year since 1930—and imports amounted to 5 million pounds. In 1937 domestic production declined, largely because of the effects of the 1934 and 1936 droughts, but re-

covered in 1938 to reach an average of about 127 million pounds for 1937-1938. Imports in 1937 were 3,700,000 pounds but dropped in 1938 to 400,000 pounds. In 1939 domestic production of oleo products amounted to 114 million pounds and in 1940 to 105 million pounds. Imports of oleo stearin since 1937 have been negligible and there have been almost no imports of oleo oil. The United States is on an export basis for oleo products. Uruguay has usually been second to Argentina as a supplier of oleo stearin.

Extract of Meat, Including Fluid (par. 705)

Under the Tariff Act of 1930, meat extract was dutiable at 15 cents per pound. This rate was bound in the agreement with the United Kingdom, effective January 1, 1939. Under the agreements with Uruguay and with Argentina the duty is reduced to 7½ cents per pound. In the 6-year period 1935-1940 the ad-valorem equivalent of the duty on meat extract ranged from 33 percent in 1936 to 39 percent in 1939. At the agreement rate and on the basis of 1939 imports, the ad-valorem equivalent would have been 19 percent. Domestically produced meat extracts are more highly processed and higher priced than the imported product. Total imports of meat extracts into the United States amounted to 1,213,000 pounds in 1939 and to 582,000 pounds in 1940. Uruguay and Argentina are the principal suppliers.

Meats, Prepared or Preserved, Not Specially Provided for (Except Meat Pastes Other Than Liver Pastes Packed in Airtight Containers Weighing With Their Contents Not More Than 3 Ounces Each) (par. 706)

Under the Tariff Act of 1930, meats in this category (chiefly canned corned beef and pickled or cured beef and veal) were dutiable at 6 cents per pound but not less than 20 percent ad valorem. Under the act of 1922 such imports were dutiable at 20 percent ad valorem. In the agreement with Uruguay this duty is 3 cents per pound but not less than 20 percent ad valorem. The same concession was included in the agreement with Argentina. The ad-valorem equivalent of the duty on canned beef

was 60 percent in 1939. On the basis of 1939 imports and the new agreement rate, it would have been 30 percent. The ad-valorem equivalent of the duty on pickled or cured beef and veal was 84 percent in 1939 and on the basis of the 1939 imports and the new agreement rates it would have been 42 percent.

Domestic production of beef and veal compared with imports.—In 1929, before the duty of 6 cents per pound was imposed, imports of all beef and veal, of which canned beef usually constitutes some 98 percent, equalled about 3.8 percent of domestic production. In 1932 this percentage had declined to 1 percent. In the 5 years 1935-1939 it averaged 2.7 percent and in 1940 was about 2 percent. Imports of the beef and veal to which the concession applies (converted to a dressed-weight basis) were equal to an annual average of about 2.6 percent of domestic beef and veal production during the years 1935-1939, and about 1.9 percent in 1940.

Canned beef.—Canned corned beef is the principal commodity included in the concession. United States production of canned beef in recent years has been relatively small and is principally of beef specialties other than corned beef. Nearly all corned beef canned in the United States has been for Government contracts. Much of the domestic beef of the type formerly canned has been used in the manufacture of sausage, a more profitable outlet, and civilian demand for canned corned beef has been filled by the imported product.

Imports of canned beef into the United States amounted to about 80 million pounds in 1929, when a period of low cattle production in the United States culminated. Such imports fell sharply to 19.5 million pounds in 1931 and increased to 88 million pounds in each of the years 1936 and 1937. Entries amounted to 78.6 million pounds in 1938, to 85.9 million in 1939, to 61.3 million in 1940 and to 39.1 million pounds in the first 6 months of 1941. Uruguay was the principal source of imports of canned beef into the United States for many years, but since 1937 it has been second to Argentina.

Beef and veal, pickled or cured.—Pickled or cured beef and veal are relatively inexpensive and especially adapted for use as ships' stores, and where refrigeration facilities are inadequate. Domestic production of such meat, chiefly beef, is from types and grades generally used for sausage.

Imports of pickled or cured beef and veal are very small as compared with domestic production and are smaller than United States exports. In 1939, the latest year for which figures are available, domestic production was 8.4 million pounds. In that year exports amounted to 7.4 million pounds and imports to 2.2 million. In 1940 exports totaled 8.0 million pounds and imports 1.4 million pounds.

Uruguay is by far the principal source of imports into the United States, having supplied more than half of all United States imports in every year since 1931, 71 percent in 1939, 88 percent in 1940, and 90 percent in the first 6 months of 1941.

Canned meats, not elsewhere specified, and prepared or preserved meats, not specially provided for.—Imports reported under this classification consist almost entirely of meat specialties and have been relatively unimportant, amounting to 169,000 pounds in 1939 and to 2,000 pounds in 1940. United States exports of products in this classification are greatly in excess of imports and consist chiefly of high-priced specialties.

Flaxseed (par. 762)

Under the Tariff Act of 1913 flaxseed was dutiable at 20 cents per bushel; under the act of 1921, at 30 cents; under the act of 1922, at 50 cents; under Presidential proclamation of June 13, 1929, at 56 cents; and under the Tariff Act of 1930, at 65 cents. Under the act of 1930 the ad-valorem equivalent was 57 percent in 1939.

Under the trade agreement with Uruguay, as that with Argentina, the rate is 32½ cents per bushel for the duration of the existing abnormal situation in the flaxseed trade. Thirty days after the President shall have proclaimed that the abnormal trade situation has terminated, the rate of duty shall become 50 cents

per bushel. Under the agreement rate of 32½ cents per bushel the ad-valorem equivalent, on the basis of 1939 imports, would have been 28 percent and under the 50-cent duty it would have been 43 percent.

Flaxseed is used almost exclusively in the manufacture of linseed oil, an essential ingredient of many paints, varnishes, floor coverings, and other products. Building and industrial operations, including production for military purposes, involving the use of linseed oil, are at high levels. At the same time imports of tung oil, perilla oil, and synthetic resins for which linseed oil may sometimes be substituted, have been interrupted.

United States flaxseed requirements for 1942 are estimated at record levels and domestic production has never been equal to domestic requirements even in normal times. United States production of flaxseed reached a record low point of 5,273,000 bushels in 1936 at the end of a decline caused in large part by unfavorable weather and disease conditions. Since that time such conditions have improved and the relation between flaxseed prices and wheat prices has been favorable to the former. Under these and other influences, flaxseed acreage in the United States increased and production rose to 30,886,000 bushels in 1940, and to 31,485,000 bushels in 1941.

Imports of flaxseed declined from 24,224,000 bushels in the year beginning July 1, 1926, to 6,213,000 bushels in the year beginning July 1, 1932. They rose again to 26,096,000 bushels in 1936-37 and declined to 13,212,000 bushels in 1939-40 and to 11,198,000 bushels in 1940-41. The percentage of United States flaxseed crushings supplied by imports averaged 55 percent during the 10 years 1930-39 and in 1940 amounted to 31 percent.

The annual average price of flaxseed (Minneapolis no. 1) was \$1.73 a bushel in the crop year 1935-36, and \$1.65 per bushel in the crop year 1939-40. In April 1941 the average price was \$1.93 per bushel and in April 1942 it was \$2.62 per bushel.

Uruguay has been second to Argentina as a supplier of flaxseed imports since 1937, supply-

ing 5.8 percent of United States imports in 1938, 4.1 percent in 1939, and 15.9 percent in 1940. Substantial quantities of flaxseed produced in Uruguay are exported from Argentina and are credited to Argentina in United States statistics of imports.

*Wools Not Finer Than 40's (par. 1101 (a)):
and Wools Not Specially Provided for Not
Finer Than 44's (par. 1102 (a))*

Under the Tariff Act of 1930 (par. 1101 (a)), wools not finer than 40's, and not imported under bond for the manufacture of carpeting and certain other specified articles, were dutiable at the following rates per pound of clean content: washed or in the grease, 24 cents; on the skin, 22 cents; sorted or matchings if not scoured, 25 cents; and scoured, 27 cents. Under the agreement with Uruguay as in that with Argentina, each of these rates is 11 cents below the rate provided in the Tariff Act of 1930. The great bulk of the wools entering under this classification are entered in the grease. The ad-valorem equivalent of the duty was 88 percent in 1939. The reduced duties would have been equivalent to 48 percent ad valorem on the basis of the 1939 imports.

Under the act of 1930 (par. 1102 (a)), wools not specially provided for and not finer than 44's, i.e. 40's/44's, were dutiable at the following rates per pound of clean content: washed or in the grease, 29 cents; on the skin, 27 cents; sorted or matchings if not scoured, 30 cents; and scoured, 32 cents. Under the agreement with Uruguay as in that with Argentina, each of these rates is 12 cents below the rate provided in the Tariff Act of 1930. On the basis of 1939 imports the ad-valorem equivalent of the duties was 90 percent and the ad-valorem equivalent of the reduced duties would have been 53 percent. The great bulk of the wools entering under this classification also are entered in the grease.

The concession in the agreement with Uruguay on wools covered by paragraph 1101 (a) includes all types not finer than 40's, not used in the manufacture of carpets and certain other specified articles. These wools are used chiefly in the manufacture of tweeds or sports clothing,

lower-priced overcoatings, blankets, and felts, but are sometimes blended with carpet wools in the manufacture of carpets. The wools covered by paragraph 1102 (a) are apparel (clothing and combing) wools finer than 40's but not finer than 44's. These wools are of higher grade than the non-carpet types provided for under paragraph 1101 (a) but are used for the same general purposes.

More than 99 percent of United States wool production is of the finer types of wool not covered by the concessions. Production of even the finer types is generally considerably less than this country's requirements for domestic consumption, and the total United States wool clip is far below the usual domestic consumption when carpet wools are included. In the period 1930-1939 United States mill consumption of all wool averaged about 665 million pounds (grease basis) per year, while domestic production of shorn wool averaged about 366 million pounds per year during the same period. In 1940 domestic production was 387 million pounds and mill consumption 778 million pounds. In 1941 domestic wool production amounted to 445 million pounds, or less than half the record mill consumption of 977 million pounds in that year.

The only production of true carpet wools in the United States is about 100,000 pounds a year, shorn from flocks owned by Indians in the Southwest. Practically the entire United States demand for such wools is supplied by imports, which have averaged nearly 96 million pounds a year during the years 1935-1940. Domestic production of wools other than carpet wools, but not finer than 40's, is also relatively small, the estimated annual average being about 2 million pounds as compared with average imports of over 16 million pounds a year during the period 1935-1940. United States annual average production of 40's/44's is estimated at about 4 million pounds, while imports of these types averaged 4.7 million pounds in the 6 years 1935-1940.

Thus less than 1 percent of United States wool production is of the types affected by the concession in the agreements with Uruguay

and Argentina, and domestic production of those types has been decreasing for a number of years.

Entries of wools of the types on which the concession applies, for the years 1935-1940, have been as follows:

[1,000 pounds—clean content]

	1935	1936	1937	1938	1939	1940
Not finer than 40's.....	11, 549	23, 635	19, 786	9, 656	16, 911	15, 584
40's/44's.....	3, 821	6, 960	7, 062	1, 799	4, 685	3, 894
Total wools.....	15, 370	30, 595	26, 848	11, 455	21, 596	19, 478

Uruguay was the principal supplier of these 40's/44's wools imported into the United States in 1936 and New Zealand from 1937 through 1939. Uruguay and Argentina have been important suppliers in recent years when they were not the chief sources.

Hides and Skins of Cattle of the Bovine Species (Except Hides and Skins of the India Water Buffalo Imported To Be Used in the Manufacture of Rawhide Articles), Raw or Uncured, or Dried, Salted, or Pickled (par. 1530 (a))

From 1909 to 1930 United States imports of hides and skins of all kinds were free of duty. Under the act of 1930, hides and skins of cattle of the bovine species (excepting hides and skins of the India water buffalo imported to be used in the manufacture of rawhide articles) were dutiable at 10 percent ad valorem. Under the agreements with Uruguay and with Argentina, the rate on the dutiable bovine hides and skins is 5 percent ad valorem.

Bovine hides produced in the United States are of two main types of grades—packer hides, of the better quality, and country hides, of a poorer quality. Much of the domestic production is of the poorer quality, whereas the better grade predominates in imports. Tanners in this country demand the better grades of which the domestic supply is supplemented by imports. At the same time many domestic hides of the poorer quality find no domestic market and are normally exported from the United States.

Demand for beef and veal, rather than demand for hides, regulates slaughter of cattle and calves in the United States, and the corresponding production of hides. Hence changes in demand and supply of hides are frequently reflected in sharp changes in volume of imports, and in ratio of imports to domestic production. Quantity of domestic production, being governed principally by the market for meat, is very little affected by volume of hide imports. Volume of imports, on the other hand, is very strongly influenced by the quantity of domestic production.

From 1935 through 1940, average annual production of bovine hides of all kinds in the United States amounted to 28.3 million hides, of which 12.3 million were calf and kip skins and the rest cattle hides. During the same period, annual average imports of bovine hides amounted to 6 million hides (pieces) of which 3 million were calf and kip skins. Uruguay is an important supplier of both cattle hides and calf and kip skins. Annual United States exports of domestic cattle hides averaged about 1 million hides of which about 50 percent were calf and kip skins.

Free List

The agreement with Uruguay binds on the free list imports of certain commodities that are either not produced at all in the United States or not produced in quantities sufficient to supply domestic demand. All these commodities, listed below, except unmanufactured agates, are also bound free in the agreement with Argentina.

Article	Value of imports in 1940
Sheep, lamb, and goat casings ^a -----	\$7, 077, 000
Tankage (not for fertilizer) ^b -----	1, 809, 000
Crude bones, bone dust, bone meal, etc.-----	1, 481, 000
Sausage casings other than sheep, lamb, and goat-----	854, 000
Dried blood-----	429, 000
Tankage (for fertilizer)-----	375, 000
Integuments, etc., not sausage casings-----	12, 000
Unmanufactured agates-----	4, 000

^aAlso bound on the free list in the trade agreement with Turkey.

^bAlso bound on the free list in the trade agreement with the United Kingdom.

GENERAL PROVISIONS AND EXCHANGES OF NOTES

The general provisions of the agreement embody the basic principle of equality of treatment essential to the development of international trade upon a sound and non-discriminatory basis. They define the nature of the obligations assumed by each country in making tariff concessions to the other, set forth reciprocal assurances of non-discriminatory treatment with respect to all forms of trade control, and contain provisions relating to various other matters affecting the trade between the two countries.

Provisions Relating to Treatment of Trade in General

Article I provides that the United States and Uruguay shall in general accord to each other unconditional most-favored-nation treatment with respect to customs duties and related matters, including methods of levying duties and charges and the application of rules and formalities. This means that each country obligates itself to extend to the other, immediately and without compensation, the lowest rates of customs duties which are granted to any other country, either by autonomous action or in connection with a commercial agreement with a third country.

Article II of the agreement relates to the imposition of internal taxes or charges levied in either country on products imported from the other and provides that such taxes or charges shall not in general be higher than those imposed on like articles of domestic or other for-

eign origin. An exception is made in the case of taxes imposed by the Uruguayan Government on pharmaceutical specialties, toilet and perfumery products, cigarettes, cigars, fortified wines, vermouth, champagne, matches, and playing cards, which, if of foreign origin, are taxable at a higher rate than are the domestic products.

Article III applies in general the principle of non-discriminatory treatment to import quotas, prohibitions, and other forms of restriction on imports. Any such restriction is to be based upon a pre-determined amount of imports of the article, i. e., a global quota. If either country establishes such restrictions and if any third country is allotted a share of the total amount of permitted importations of any article, the other country shall also be allotted a share which shall be based upon the proportion of the total imports of such article which that country supplied in a previous representative period.

Article IV extends in general the principle of non-discriminatory treatment to any form of exchange control by either country over the transfer of payments for imports originating in the other country. Accordingly, the article provides that the Government of either country shall accord to any product originating in the other country, in regard to restrictions or delays on payments, exchange rates, and taxes or charges on exchange transactions, treatment no less favorable than that accorded the like product originating in any third country.

Article V extends the principle of non-discriminatory treatment to foreign purchases by the Government of either country or by government monopolies.

Article VI provides for the prompt publication of laws, regulations, and administrative and judicial decisions relating to the classification of articles for customs purposes or rates of duty. With certain customary exceptions relating to anti-dumping duties, health public-safety measures, etc., the article also provides that no administrative ruling by either country effecting advances in rates of duties or in charges applicable under an established ad-

uniform practice to imports originating in the other country, or imposing any new requirement with respect to such importations, shall be effective retroactively or with respect to articles imported prior to the expiration of 90 days after the date of publication of notice of such ruling in the usual official manner.

Provisions Relating to Concessions

Articles VII and VIII of the agreement relate to the tariff concessions granted by each country on products of the other and provide that products included in the schedules annexed to the agreement shall, upon importation into the other country, be exempt from ordinary customs duties higher than those specified in the schedules and from all other charges in connection with importation in excess of those imposed on the day of signature of the agreement or required to be imposed thereafter by laws in force on that day.

Article IX permits either country, notwithstanding the provisions of articles VII and VIII, to impose on any product imported from the other country an import charge equivalent to an internal tax imposed on a similar domestic product or on any article from which the imported product has been made.

Article X safeguards importers against adverse changes in the methods of determining dutiable value and of converting currencies in connection with products listed in the schedules which are or may be subject to ad-valorem rates of duty.

Article XI contains a general undertaking that no quantitative restrictions shall be imposed by either country on importations from the other country of any of the products listed in the schedules annexed to the agreement, with the reservation that this provision does not apply to quantitative restrictions imposed by either country in conjunction with governmental measures which operate to regulate or control the production, market supply, or prices of like domestic articles, or which tend to increase the labor costs of production of such articles, or which are necessary to maintain the exchange value of the currency of the country.

Article XII contains a provision for broad consultation between the Governments of the two countries in regard to all matters affecting the operation of the agreement through the medium of a mixed commission to be established under the terms of paragraph 2 of the article. Paragraph 1 of the article provides that if the Government of either country considers that an industry or the commerce of that country is prejudiced, or any object of the agreement is nullified or impaired as a result of any circumstance or of any measure taken by the other Government, the latter Government shall consider such representations or proposals as may be made by the former Government; and if agreement is not reached, the Government making the representations or proposals shall be free to suspend or terminate the agreement in whole or in part on 30 days' written notice.

Provisions as to Application of the Agreement

Article XIII provides that the agreement shall apply, on the part of the United States, to the continental United States and to the territories and possessions included in its customs territory, the most important of which are Alaska, Hawaii, and Puerto Rico. The most-favored-nation provisions of the agreement will, however, apply also to those possessions of the United States which have separate tariffs, including the Philippines, the Virgin Islands of the United States, American Samoa, and the island of Guam.

Article XIV excepts from the application of the agreement special advantages granted by the Government of either country to adjacent countries to facilitate frontier traffic, and advantages accorded to any third country as a result of a customs union. There is also included the usual exception relating to special advantages accorded by the United States and its territories and possessions or the Panama Canal Zone to one another or to the Republic of Cuba.

Furthermore, in an exchange of notes accompanying the agreement the Government of the United States agrees not to invoke the provi-

sions of article I of the agreement in respect of any tariff preferences which Uruguay may accord to contiguous countries, Bolivia, or Paraguay looking to the gradual and ultimate achievement of a customs union between Uruguay and any such country; provided such tariff preferences conform to the formula recommended by the Inter-American Financial and Economic Advisory Committee on September 18, 1941, pursuant to resolution LXXX of the Seventh International Conference of American States at Montevideo, approved December 24, 1933. This formula stipulates: (1) That any such tariff preferences shall be made effective through trade agreements embodying tariff reductions or exemptions; (2) that the parties to such agreements should reserve the right to reduce or eliminate the customs duties on like products imported from other countries; and (3) that any such tariff arrangements should not be an obstacle to any broad program of economic reconstruction involving the reduction of tariffs and the scaling down or elimination of tariff and other trade preferences with a view to the fullest possible development of international trade on a multilateral unconditional most-favored-nation basis. The note also provides, with reference to articles III and IV of the agreement relating to quantitative limitations on imports and exchange control, respectively, that any special quota or exchange facilities which Uruguay may accord to contiguous countries, Bolivia, or Paraguay shall cease upon the termination of the present world conflict, except as may be otherwise agreed upon between the two Governments.

By a second exchange of notes, the Government of the United States agrees not to invoke the provisions of the agreement relating to non-discriminatory treatment in respect of special facilities which Uruguay may accord to imports of articles originating in the so-called "sterling area" covered by the existing payments arrangement in effect between Uruguay

and the United Kingdom. As indicated in the note from the Uruguayan Government, the reason for this exception arises primarily from the inability of Uruguay to convert freely into dollars the proceeds derived from its exports to the "sterling area" under the existing payments arrangement in effect between Uruguay and the United Kingdom. Accordingly the note provides that the exception shall terminate as soon as it becomes possible for Uruguay to convert its sterling balances into free currencies.

Article XV provides that nothing in the agreement shall prevent the adoption or enforcement by either country of measures relating to imports or exports of gold and silver, sanitary regulations and the like, or measures relating to public security or imposed for the protection of the country's essential interests in time of war or other national emergency.

Article XVI provides for sympathetic consideration of representations in regard to customs regulations and related matters and the application of sanitary regulations. If there should be disagreement between the two Governments with respect to sanitary laws or regulations, a committee of experts including representatives of both Governments may be established upon request of either Government. This committee would then study the matter and submit a report to both Governments.

Article XVII provides that the agreement shall enter into force 30 days after exchange of the Uruguayan ratification and the President's proclamation of the agreement.

Article XVIII provides that the agreement is to remain in force for an initial term of three years, unless terminated earlier in accordance with the provisions of article XII. If neither Government has given the other notice of intention to terminate the agreement on the expiration of the term of three years, it will continue in force thereafter, subject to termination on six months' notice or in accordance with the provisions of article XII.

TABLE A

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM URUGUAY (SCHEDULE I)

NOTE.—Duties, other than ad-valorem percentages, given in this table include base duties and surtaxes calculated on official customs valuations, and are expressed in terms of Uruguayan paper pesos. The current "free" rate of exchange of the peso is about 53 cents. n. a.= statistics not available.

PART A.—The articles included in part A are identified by section, position, and item numbers of the revised "Tariff of Import Valuations". The descriptions in the table are abbreviated from the tariff nomenclature found in the text of the agreement.

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM URUGUAY (SCHEDULE I)

Uruguayan tariff			Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		U. S. exports to Uruguay (in thousands of dollars)	
Section	Position	Item				Duty (pesos)	Reduction (percent)	1939	1940
II	57	260	Raisins, with seeds.....	100 gross kilos.	11.2628	7.94	30	12	6
II	57	261	Raisins, seedless.....	"	20.6534	10.40	50		
II	58	267	Walnuts and pecans, unshelled.....	"	6.9365	4.89	30	39	33
II	58	268	Walnuts and pecans, shelled.....	"	6.9365	4.89	30		
II	59	274	Apples, fresh (from September 1 to the last day of February, inclusive).	"	22.9797	8.20	64	8	1
II	62	291	Prunes, dried.....	"	11.0643	7.80	30	30	34
II	87	399	Hops.....	"	1.792	1.792	Bound	5	36
IV	120	632	Sardines in oil or other media, including tomato sauce, packed in hermetically sealed containers.	100 legal kilos..	40.50	40.50	Bound	3	1
IV	120	633	Canned mackerel and canned salmon.....	"	57.4492	40.50	30	(*)	2
IV	133	688	Flours and similar, including malted milk.....	"	8.894	8.894	Bound	4	11
IV	139	704	Canned asparagus.....	"	84.117	59.30	30	-	1
IV	143	715	Concentrated grape juice.....	100 kilos.....	141.85 plus 29.79% ad val.	142.00	23	-	1
IV	143	716	Unsweetened fruit and vegetable juices.....	"	60.00	32.10	47		
IV	143	718	Sweetened fruit juices, liquid, and syrups for beverages without alcohol.	"	60.00	32.10	47	150	132
IV	171	860	Unmanufactured tobacco of flue-cured, fire-cured, or burley types.	100 legal kilos..	33.69	33.69	Bound		
IV	172	868	Cigarettes in packages.....	"	386.54	272.50	30	22	37
V	174	878	Sulphur.....	100 gross kilos..	0.315	0.315	Bound	-	69
V	207	1000	Medicinal petroleum jelly.....	100 kilos.....	40.0017	28.20	30	1	5
VI	281	1549	Liquid insecticide, with a base of pyrethrum or of ethers and hydrocarbides.	"	100.00	70.50	30	11	14
VI	284	1560	Gum spirits of turpentine and wood turpentine.....	100 gross kilos..	4.536	4.536	Bound	20	6
VI	285	1562	Rosin or pitch, gum and wood.....	"	1.35	1.35	Bound	78	42
VI	294	1942/44	Motion picture film, exposed.....	100 kilos.....	368.81	260.00	30	31	35
VI	311	2032	Varnish, including nitrocellulose or pyroxylin lacquers.	100 gross kilos..	39.1666	27.60	30	11	18
VI	311	2033	Composition of asphaltic base for coating roofs.....	"	5.20	5.20	Bound	1	1
IX	384	2480	Tea pine or pitch pine.....	100 square meters.	26.7529	13.376	50	145	81
IX	384	2482	Sugar pine (Pinus lambertiana) and California white pine (Pinus monticola; P. lambertiana; and P. ponderosa).	1000 gross kilos.	18.0291	9.015	50	5	18
IX	384	2485	Douglas fir.....	"	16.8659	8.433	50	(*)	1

NOTE.—With respect to materials imported for use in construction work of the type specified in decree no. 722/1940 of June 7, 1940, the 50 percent reduction in duties and additional charges provided for in article 2 of the said decree will be applicable to the rates specified above in respect of items 2480, 2482 and 2485 of position 384 of section IX, it being understood that such reduction shall apply with respect to materials imported during the life of the agreement.

Less than \$500. * Based on a value of 30 cents per quart.

TABLE A—PART A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM URUGUAY (SCHEDULE I)—Continued

Uruguayan tariff			Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		U. S. export to Uruguay (in thousand of dollars)		
Section	Position	Item				Duty (pesos)	Reduction (percent)	1939	1940	
IX	384	2490	Oak.....	100 gross kilos.	2.559	1.804	30	4		
IX	386	2499	Staves, shooks, and heading for barrels and casks.....	"	0.24	0.24	Bound			
IX	397	2550	Unassembled barrels and casks, in sets, with capacity up to 200 liters.	Each.....	1.6284	1.148	30	77		
IX	397	2551	Unassembled barrels and casks, in sets, with capacity of from 201 to 500 liters.	"	3.2568	2.296	30			
IX	397	2561	Unassembled barrels (barricas).....	"	0.0159	0.011	31			
X	423	3020.1	Cardboard, of fiber of wood, for construction.....	100 gross kilos.	7.3762	5.20	30	-		
X	425	3024	Vulcanized fiber, in bars, sheets, tubes, et cetera.....	Ad val.....	73.762%	52%	30	1		
X	425	3026	Roofing paper coated with composition of asphaltic base.	100 gross kilos.	7.3762	5.20	30	7	1	
X	425	3028	Cardboard and paper impregnated with other materials, including paste, chalk, sawdust, and similar.	"	7.3762	5.20	30	n. a.	n. a.	
X	426	3031	Hygienic paper, in rolls, not exceeding 15 centimeters in width.	100 gross kilos.	11.0643	7.80	30			
X	426	3035	Hygienic paper, square or rectangular, in sheets, not larger than 20 centimeters to a side.	"	11.0643	7.80	30			
X	426	3036	Hygienic paper, square or rectangular, in sheets, not larger than 46 centimeters to a side.	100 legal kilos.	25.8167	18.20	30	12		
X	426	3039	Hygienic paper, in other forms, up to 20 centimeters to a side.	100 gross kilos.	11.0643	7.80	30			
XVI	823	32	Airplane motors.....	Free.....	Free.....	Free.....	Bound	-		
XVI	823	38	Parts and separate pieces of iron or steel for light motors, including unfinished parts:							
			Pistons.....	100 gross kilos.	43.094	30.38	30			
			All other parts and separate pieces included in this item.	"	43.094	43.094	Bound			
XVI	823	39	Parts and separate pieces of other common metals for light motors, including unfinished parts:							
			Pistons.....	"	105.536	74.40	30			
			All other parts and separate pieces included in this item.	"	105.536	105.536	Bound			
XVI	857	418	Shafts for automobiles, of iron or steel:							
			Crankshafts, camshafts, and piston pins.....	"	43.094	30.38	30			
			All other parts included in this item.....	"	43.094	43.094	Bound	203	3	
XVI	857	429	Notched wheels and shafts, gears: for automobiles, of iron or steel:							
			Crankshaft timing gears and camshaft timing gears.....	"	43.094	30.38	30			
			All other parts included in this item.....	"	43.094	43.094	Bound			
XVI	857	446	Pulleys, clutches, and couplings (excluding gears), for automobiles, of iron or steel:							
			Connecting rods.....	"	43.094	30.38	30			
			All other parts included in this item.....	"	43.094	43.094	Bound			
XVI	857	470	Cylinders for automobiles, of iron or steel:							
			Cylinder blocks and heads.....	"	43.094	30.38	30			
			All other parts included in this item.....	"	43.094	43.094	Bound			
XVII	889	26	Tractors for agriculture.....	Gross kilo.....	Free	Free	Bound	264	4	
XVII	889	27	Tractors for other purposes.....	"	Free	Free	Bound			
XVII	890	28	Passenger automobiles weighing not more than 1050 kilos.	Kilo.....	0.5026	0.388	23			
			NOTE.—Automobiles in the foregoing class weighing more than 550 kilos but not more than 1050 kilos each are assessed a minimum duty of 301.84 pesos per automobile, and automobiles weighing up to 550 kilos each are assessed a minimum duty of 237.17 pesos per automobile.						172	2
XVII	890	29	Passenger automobiles weighing more than 1050 kilos and up to 1350 kilos.	"	0.5305	0.410	23			

TABLE A—PART A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM URUGUAY (SCHEDULE I)—Continued

Uruguayan tariff			Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		U. S. exports to Uruguay (in thousands of dollars)	
Section	Position	Item				Duty (pesos)	Reduction (percent)	1939	1940
XVII	890	30	Passenger automobiles weighing more than 1350 kilos and up to 1650 kilos.	Kilo-----	0.5864	0.453	23	Included in figures immediately above.	
XVII	890	31	Passenger automobiles weighing more than 1650 kilos and up to 1818 kilos.	"	0.768	0.593	23		
XVII	890	31	Passenger automobiles weighing more than 1818 kilos and up to 1850 kilos.	"	0.869	0.683	21		
XVII	890	32	Passenger automobiles weighing more than 1850 kilos and up to 2050 kilos.	"	1.106	0.854	23		
XVII	890	32.1	Passenger automobiles weighing more than 2050 kilos and up to 2222 kilos.	"	1.505	1.162	23		
XVII	890	32.1	Passenger automobiles weighing more than 2222 kilos and up to 2777 kilos.	"	1.67	1.289	23		
XVII	890	32.1	Passenger automobiles weighing more than 2777 kilos and up to 3333 kilos.	"	1.835	1.404	23		
NOTE.—Automobiles which lack any of the following parts will be classified in the immediately preceding group and with the minimum valuation and weight for that group: Glass, motors, fenders, seats, upholstery, tires and tubes, radiators, bumpers, or batteries.									
XVII	890	33	Automobile buses-----	Ad val-----	4.2555%	3%	30	Included in figures for exports of automobile truck chassis.	
XVII	891	37	Chassis for passenger automobiles, weighing not more than 2500 gross kilos.	Gross kilo-----	0.2792	0.216	23		Included in figures for exports of passenger automobiles.
XVII	891	38	Chassis for passenger automobiles, weighing more than 2500 gross kilos and up to 2750 gross kilos.	"	0.349	0.270	23		
NOTE.—Minimum duty for passenger automobile chassis regardless of weight.									
XVII	891	37	Automobile truck chassis weighing not more than 2500 gross kilos.	Gross kilo-----	0.1021	0.072	30		
XVII	891	38	Automobile truck chassis weighing more than 2500 gross kilos and up to 2750 gross kilos.	"	0.1277	0.09	30		
XVII	891	39	Automobile truck chassis weighing more than 2750 gross kilos and up to 3000 gross kilos.	"	0.1532	0.108	30		
XVII	891	40	Automobile truck chassis weighing more than 3000 gross kilos and up to 3250 gross kilos.	"	0.1787	0.126	30		
XVII	891	41	Automobile truck chassis weighing more than 3250 gross kilos and up to 3500 gross kilos.	"	0.2043	0.144	30	112	235
XVII	891	42	Automobile truck chassis weighing more than 3500 gross kilos.	Gross kilo-----	0.2553	0.18	30		
NOTE.—Minimum duty for truck chassis regardless of weight.									
XVII	891	37	Automobile bus chassis weighing not more than 2500 gross kilos.	Gross kilo-----	0.0085	0.006	29		
XVII	891	38	Automobile bus chassis weighing more than 2500 gross kilos and up to 2750 gross kilos.	"	0.0106	0.0075	29		
XVII	891	39	Automobile bus chassis weighing more than 2750 gross kilos and up to 3000 gross kilos.	"	0.0128	0.009	30		1
XVII	891	40	Automobile bus chassis weighing more than 3000 gross kilos and up to 3250 gross kilos.	"	0.0149	0.0105	30		

These figures include buses and motor trucks and chassis.

TABLE A—PART A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM URUGUAY (SCHEDULE I)—Continued

Uruguayan tariff			Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		U. S. exports to Uruguay (in thousands of dollars)	
Section	Position	Item				Duty (pesos)	Reduction (percent)	1939	1940
XVII	891	41	Automobile bus chassis weighing more than 3250 gross kilos and up to 3500 gross kilos.	Gross kilo-----	0.017	0.012	29	Included figure immediately above.	
XVII	891	42	Automobile bus chassis weighing more than 3500 gross kilos.	"	0.0213	0.015	30		
			NOTE.—Minimum duty for bus chassis regardless of weight.	Each-----	10.21	7.20	29		
XVII	892	45	Drivers' cabs for trucks or buses, imported separately or with chassis.	Gross kilo-----	0.31688	0.245	23	n. a. n.	
			NOTE.—Minimum duty for drivers' cabs regardless of weight.	Each-----	82.39	63.62	23		
			Body Parts:						
XVII	893	50	Fans and ribs for tops-----	100 gross kilos.	33.419	33.419	Bound	Included figure export article Section XVI, situation 823, 138 to situation Item	
XVII	893	51	Seats of leather-----	Each-----	11.206	11.206	Bound		
XVII	893	52	Seats of other kinds-----	"	3.362	3.362	Bound		
XVII	893	53	Tops-----	100 gross kilos.	112.061	112.061	Bound		
XVII	893	54	Running boards-----	"	67.237	67.237	Bound		
XVII	893	55	Seat covers-----	100 legal kilos.	336.184	336.184	Bound		
XVII	893	56	Fenders-----	Each-----	2.023	2.023	Bound		
XVII	893	57	Windshields, with iron or steel frames-----	"	6.156	6.156	Bound		
XVII	893	58	Windshields, with frames of other common metals-----	"	13.192	13.192	Bound		
XVII	893	59	Lateral windshields-----	Pair-----	3.957	3.957	Bound		
XVII	893	60	Doors-----	100 legal kilos.	52.768	52.768	Bound		
XVII	893	61	Glass and glassware-----	100 gross kilos.	13.192	13.192	Bound		
XVII	893	62	Other body parts of iron or steel-----	100 legal kilos.	70.357	70.357	Bound		
XVII	893	63	Other body parts of other common metals or other materials.	"	123.125	123.125	Bound		
			Parts and pieces of the transmission and steering gear:						
XVII	893	64	Steering wheels of iron or steel-----	Each-----	0.879	0.879	Bound		
XVII	893	65	Steering wheels of other materials-----	"	3.078	3.078	Bound		
XVII	893	66	Other parts of iron or steel:						
			Transmission gears, transmission spline shaft, transmission countershaft, differential propeller shaft, differential case, differential ring gear and pinion, differential pinion gears, differential pinion gear shaft, differential side gear, rear axle shaft, steering gear shaft and worm, steering gear sector and shaft, clutch disc assembly, clutch release levers, steering knuckle and steering knuckle king pin.	100 gross kilos.	43.094	30.38	30		
			All other parts included in this item-----	"	43.094	43.094	Bound		
XVII	893	67	Other parts of other common metals-----	"	105.536	105.536	Bound		
XVII	893	68	Other parts of other materials-----	"	49.25	49.25	Bound		
			Others:						
XVII	893	69	Shock absorbers-----	"	70.357	70.357	Bound		
XVII	893	70	Rims and spokes for wheels-----	"	11.433	11.433	Bound		

TABLE A—PART A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM URUGUAY (SCHEDULE I)—Continued

Uruguayan tariff			Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		U. S. exports to Uruguay (in thousands of dollars)	
Section	Position	Item				Duty (pesos)	Reduction (percent)	1939	1940
VII	893	71	Bumpers of iron or steel.....	100 legal kilos..	35.178	35.178	Bound	Included in figures for exports of articles in Section XVI, Position 823, Item 38 to Position 857, Item 470.	
VII	893	72	Bumpers of other common metals.....	"	131.92	131.92	Bound		
VII	893	73	Wheels of wood.....	Each.....	3.606	3.606	Bound		
VII	893	74	Wheels of other materials.....	100 gross kilos..	35.178	35.178	Bound		
VII	893	75	Tanks of iron or steel.....	100 legal kilos..	219.867	219.867	Bound		
VII	893	76	Tanks of other materials.....	"	307.814	307.814	Bound		
VII	893	77	Hub caps of iron or steel.....	"	70.357	70.357	Bound		
VII	893	78	Hub caps of other materials.....	"	105.536	105.536	Bound		
VII	893	79	Other parts of iron or steel.....	100 gross kilos..	43.094	43.094	Bound		
VII	893	80	Other parts of other materials.....	"	105.536	105.536	Bound		
			NOTE.—All the parts described under Position 893, when composed of more than 50 percent by weight of iron or steel, will be classified as iron or steel parts. When composed of less than 50 percent of iron or steel, they will be classified according to the predominant nonferrous metal.						
VII	901	117	Aviation apparatus, equipped with motors.....		Free	Free	Bound	2	9
VII	902	118	Parts for replacement and assembly of aircraft, excluding motors.....		Free	Free	Bound		

PART B.—The articles included in part B are identified by section and item numbers of the *unrevised* sections of the Uruguayan tariff in force on the day of signature of the agreement.

Uruguayan tariff		Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		U. S. exports to Uruguay (in thousands of dollars)	
Schedule	Item				Duty (pesos)	Reduction (percent)	1939	1940
materials.....	38	Cotton, spun, crude, for the loom.....	100 kilos.....	2.70	2.70	Bound	42	54
materials.....	39	Cotton, spun, for the loom, colored, including mercerized yarn.....	"	5.04	5.04	Bound	130	150
materials.....	58	Plows with handles.....	Each.....	Free	Free	Bound	40	83
materials.....	59	Plows, sulky, with one share.....	"	Free	Free	Bound		
materials.....	60	Plows, sulky, with two shares.....	"	Free	Free	Bound		
materials.....	61	Plows, sulky, with three shares.....	"	Free	Free	Bound		
materials.....	62	Plows, sulky, with more than three shares.....	"	Free	Free	Bound		
materials.....	63	Plows, sulky with discs.....	"	Free	Free	Bound		
materials.....	64	Plows with shares or discs, for tractors.....	Per share or disc.	Free	Free	Bound		

TABLE A—PART B—Continued

Uruguayan tariff		Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		U.S. exports to Uruguay (in thousands of dollars)	
Schedule	Item				Duty (pesos)	Reduction (percent)	1939	1940
Raw materials....	170	Electric plants for light and power (without storage batteries), including wind-driven electric power generating devices.	100 gross kilos.	6.3832	4.50	30	8	
Raw materials....	248	Industrial machinery, n. s. p. f.: machines weighing up to 100 kilos each.	"	8.937	8.937	Bound	n. a.	n. a.
Raw materials....	295	Windmills and their accessories and parts.....	Gross kilo.....	Free	Free	Bound	62	
Raw materials....	349	Replacement and repair parts for industrial machinery, of copper, bronze, brass, or other metal, n. s. p. f., whether or not combined with other materials.	100 gross kilos.	17.873	17.873	Bound	n. a.	n. a.
Raw materials....	350	Replacement and repair parts for industrial machinery, of iron or steel, combined or not with other materials, weighing 25 kilos or less each.	"	10.213	10.213	Bound	n. a.	n. a.
Raw materials....	351	Replacement and repair parts for industrial machinery, of iron or steel, combined or not with other materials, weighing more than 25 kilos but less than 100 kilos each.	"	6.383	6.383	Bound	n. a.	n. a.
Hardware.....	85	Files (archivos) or furniture of iron or steel, whether or not combined with other materials.	100 gross kilos.	39.15	39.15	Bound	2	
Hardware.....	872	Cash registers and their parts.....	"	92.20	65.00	30	12	
Paper.....	118	Standard typewriters.....	100 kilos.....	51.07	36.00	30	8	
Paper.....	119	Portable typewriters.....	"	136.18	96.00	30	3	
Paper.....	124	Calculating and adding machines, including bookkeeping and accounting machines.	"	170.22	120.00	30	33	
Paper.....	254	Parts for standard typewriters.....	"	221.29	36.00	84	Included figures exports typewriters.	
Paper.....	255	Parts for portable typewriters.....	"	590.10	96.00	84		
Paper.....	259	Parts for calculating and adding machines, including parts for bookkeeping and accounting machines.	"	737.62	120.00	84		
Electrical.....	1	Storage batteries and parts for same: automobile batteries.	100 gross kilos.	26.3841	18.60	30	10	
Electrical.....	1	Storage batteries and parts for same: radio batteries.	"	51.066	36.00	30		
Electrical.....	1	Storage batteries and parts for same, except automobile and radio batteries.	"	22.1286	15.60	30		
Electrical.....	34	Apparatus for radio: radio receivers without tubes.	"	170.22	170.22	Bound	23	
Electrical.....	36	Parts and accessories for radio receiving sets.	"	136.176	96.00	30	50	
Electrical.....	119	Automatic refrigerators, complete or incomplete.	"	54.5037	42.087	23	53	
Electrical.....	120	Automatic refrigerators: refrigeration apparatus, separate.	"	58.7259	41.40	30	29	
Electrical.....	129	Radio tubes.....	Each.....	0.8511	0.60	30	15	
NOTE.—The existing 4 percent reduction for breakage of glass tubes is bound.								
Electrical.....	155	Machines for washing, ironing, washing dishes, and all machines operated by electricity not specifically mentioned, except industrial machines.	100 gross kilos.	36.881	26.00	30	1	
Electrical.....	211	Electric fans, standing or wall.....	"	66.3858	46.80	30	2	

TABLE B

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO URUGUAY (SCHEDULE II)

(Compiled from official statistics of the U. S. Department of Commerce)

NOTE: With the exception of unmanufactured agates, all items included in schedule II of the agreement with Uruguay are also included in schedule I of the agreement with Argentina, effective November 15, 1941, and the rates of duty on these items are the same in both agreements.

Paragraph number in Tariff Act of 1930	Description of article	Rate of duty		Ad valorem equivalent on basis of imports in 1939		United States imports for consumption * (in thousands of dollars)					
		Tariff Act of 1930	Trade agreement with Uruguay	Under rate effective in 1939 (percent)	Under rate provided by trade agreement with Uruguay (percent)	From Uruguay			From all countries		
						1938	1939	1940 ^b	1938	1939	1940 ^b
	A. DUTABLE ITEMS										
19	Casein or lactarene, and mixtures of which casein or lactarene is the component material of chief value, not specially provided for.	5½¢ lb.	2¾¢ lb.	98	49	-	3	44	28	886	1,243
42	Glycerin, crude.	1¢ lb.	¾¢ lb.	10	10	18	27	50	1,028	729	615
42	Glycerin, refined.	2¢ lb.	1¼¢ lb.	17	17	-	-	-	219	29	23
701	Tallow:										
	Beef and mutton tallow, inedible (include oleo stock, T. D. 48876).	½¢ lb.+3¢ lb. import tax.	¼¢ lb.+1½¢ lb. import tax.	120	60	-	15	-	50	44	43
	Beef and mutton tallow, edible (include oleo stock, T. D. 48876).	do.	do.	-	-	-	-	-	3	-	-
	Total.					-	15	-	53	44	43
701	Oleo oil and oleo stearin:										
	Oleo oil.	1¢ lb.+3¢ lb. import tax.	½¢ lb.+1½¢ lb. import tax.	-	-	-	-	-	-	-	(e)
	Oleo stearin.	do.	do.	75	37	2	-	-	15	(e)	(e)
	Total.					2	-	-	15	(e)	(e)
705	Extract of meat, including fluid.	15¢ lb.	7½¢ lb.	39	19	92	216	14	213	469	237
706	Meats, prepared or preserved, not specially provided for (except meat pastes other than liver pastes, packed in airtight containers weighing with their contents not more than 3 ounces each):										
	Canned beef, including corned beef.	6¢ lb., but not less than 20% ad valorem.	3¢ lb., but not less than 20% ad valorem.	60	30	2,685	2,609	825	8,399	8,573	6,915
	Beef and veal, pickled or cured.	do.	do.	84	42	60	102	93	119	154	110
	Canned meats, not elsewhere specified, and prepared or preserved meats, not specially provided for (including liver pastes).	do.	do.	25	20	-	-	(e)	58	47	20
	Total.					2,745	2,711	918	8,576	8,774	7,045

Footnotes at end of table.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO URUGUAY (SCHEDULE II)—Continued

Para- graph num- ber in Tariff Act of 1930	Description of article	Rate of duty		Ad valorem equivalent on basis of imports in 1939		United States imports for consumption (in thousands of dollars)					
		Tariff Act of 1930	Trade agreement with Uruguay	Under rate effective in 1939 (per- cent)	Under rate provided by trade agree- ment with Uruguay (per- cent)	From Uruguay			From all countries		
						1938	1939	1940 ^b	1938	1939	1940
762	Flaxseed..... PROVIDED, That on and after the effective date of this agreement, and until the thirtieth day following a proclamation by the Presi- dent of the United States of America, after consultation with the Uruguayan Gov- ernment, that the existing abnormal situation in re- spect of the trade in flaxseed has terminated, the rate of duty under this item shall be.....	65¢ bushel of 56 lbs.	50¢ bushel of 56 lbs.	57	43	1,095	786	2,294	19,872	18,424	14,000
1101 (a)	Wools: Donskoi, Smyrna, Cor- dova, Valparaiso, Ecuadoran, Syrian, Aleppo, Georgian, Turkestan, Arabian, Baghdad, Persian, Sistan, East Indian, Thibetan, Chinese, Manchur- ian, Mongolian, Egyptian, Sudan, Cyprus, Sardinian, Pyrenean, Oporto, Iceland, Scotch Blackface, Black Spanish, Kerry, Haslock, and Welsh Mountain; similar wools without merino or English blood; all other wools of whatever blood or origin not finer than 40's; all the foregoing— In the grease or washed.....		32½¢ bushel of 56 lbs.	-	28	-	-	-	-	-	-
	Scoured.....	24¢ lb. of clean content.	13¢ lb. of clean content.	88	48	207	124	272	3,171	4,614	4,000
	On the skin.....	22¢ lb. of clean content.	11¢ lb. of clean content.								
	Sorted, or matchings, if not scoured.	25¢ lb. of clean content.	14¢ lb. of clean content.								
1102 (a)	Wools, not specially provided for, not finer than 44's: In the grease or washed.....	29¢ lb. of clean content.	17¢ lb. of clean content.	90	53	44	479	615	688	1,495	1,000
	Scoured.....	32¢ lb. of clean content.	20¢ lb. of clean content.								
	On the skin.....	27¢ lb. of clean content.	15¢ lb. of clean content.								
	Sorted, or matchings, if not scoured.	30¢ lb. of clean content.	18¢ lb. of clean content.								

Footnotes at end of table.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO URUGUAY (SCHEDULE II)—Continued

Para- graph num- ber in Tariff Act of 1930	Description of article	Rate of duty		Ad valorem equivalent on basis of imports in 1939		United States imports for consumption • (in thousands of dollars)					
		Tariff Act of 1930	Trade agreement with Uruguay	Under rate effec- tive in 1939 (per- cent)	Under rate provided by trade agree- ment with Uruguay (per- cent)	From Uruguay			From all countries		
						1938	1949	1940 ^b	1938	1939	1940 ^b
30 (a)	Hides and skins of cattle of the bovine species (except hides and skins of the India water buffalo imported to be used in the manufacture of raw-hide articles), raw or uncured, or dried, salted, or pickled:										
	Cattle hides.....	10% ad valorem....	5% ad valorem....	10	5	102	75	299	5,179	12,089	^a 16,915
	Calf and kip skins.....	do.....	do.....	10	5	-	47	259	4,043	4,610	2,508
	Buffalo hides, not specially provided for.....	do.....	do.....	10	5	-	-	-	34	121	^a 212
	Total.....					102	122	558	9,256	16,820	19,635
	Total dutiable items.....					4,305	4,483	4,765	43,119	52,284	49,466
	B. FREE ITEMS										
1603	Agates, unmanufactured.....	Free.....	Bound free ^m			1	2	3	1	3	4
1625	Blood, dried, not specially provided for.....	Free.....	Bound free.....			39	56	40	266	578	429
1627	Bones, crude, steamed, or ground; bone dust, bone meal, and bone ash; and animal carbon suitable only for fertilizing purposes.....	Free.....	Bound free.....			75	69	120	838	1,496	1,481
1686	Tankage of a grade used chiefly for fertilizers, or chiefly as an ingredient in the manufacture of fertilizers.....	Free ^a	Bound free.....			11	24	50	290	442	375
1755	Sausage casings, weasands, intestines, bladders, tendons, and integuments, not specially provided for:										
	Sheep, lamb, and goat sausage casings.....	Free ^m	Bound free.....			34	44	101	6,525	6,201	7,077
	Sausage casings, not specially provided for (including weasands, bladders, and intestines).....	Free ^m	Bound free.....			12	29	40	594	792	854
	Integuments, tendons, and intestines, not sausage casings.....	Free ^m	Bound free.....			-	-	(^c)	4	4	12
	Total.....					46	73	141	7,123	6,997	7,943

Footnotes at end of table.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO URUGUAY (SCHEDULE II)—Continued

Para- graph num- ber in Tariff Act of 1930	Description of article	Rate of duty		Ad valorem equivalent on basis of imports in 1939		United States imports for consumption * (in thousands of dollars)					
		Tariff Act of 1930	Trade agreement with Uruguay	Under rate effective in 1939 (per- cent)	Under rate provided by trade agree- ment with Uruguay (per- cent)	From Uruguay			From all countries		
						1938	1949	1940 ^b	1938	1939	1940 ^c
1780	Tankage, unfit for human consumption.	Free	Bound free			103	335	257	935	2,535	1,800
	Total free items					275	559	611	9,453	12,051	12,040
	Grand total of items in Schedule II.					4,580	5,042	5,376	52,572	64,335	61,560

* Except as noted, import data do not include imports from Cuba or imports free of duty (products of the Philippine Islands, etc.), entered under special provisions of the Tariff Act of 1930. Imports into the Virgin Islands of the United States were negligible and are included.

^b Preliminary.

^c Rate reduced to $\frac{1}{2}$ ¢ per pound in the trade agreement with France, effective June 15, 1936. Rate on product of Cuba reduced to $\frac{1}{2}$ ¢ per pound (net) in the trade agreement with Cuba, effective Sept. 3, 1934.

^d Includes the following amounts: From Cuba (dutiable at Cuban agreement rate): 1938, \$212,516; 1939, \$215,712; 1940, \$219,644; from the Philippine Islands (free): 1938, \$104,509; 1939, \$123,410; 1940, \$111,406.

^e Rate reduced to $\frac{1}{2}$ ¢ per pound in the trade agreement with the Netherlands effective Feb. 1, 1936; further reduced to $\frac{1}{16}$ ¢ per pound by virtue of the reduction on crude glycerin in the trade agreement with France, effective June 15, 1936.

^f Includes imports valued at \$21,772 dutiable but exempt from tax, entered at the customs district of Puerto Rico.

^g Less than \$500.

^h Bound in the trade agreement with the United Kingdom, effective Jan. 1, 1939.

ⁱ Exclusive of duties on imports into the Virgin Islands of the United States.

^j Includes negligible imports of meat pastes (except liver pastes) prepared or preserved, n. s. p. f., packed in airtight containers weighing each with contents not more than 3 ounces; not separately classified prior to 1939.

^k Includes imports valued at \$305,032, product of Cuba, dutiable at preferential rate. Negligible in other years.

^l Includes imports valued at \$61,887, product of the Philippine Islands (free). Negligible in other years.

^m Bound in the trade agreement with Uruguay only.

ⁿ Sausage casings, weasands, intestines, bladders, tendons, and integuments produced from sheep, lambs, and goats, bound in the trade agreement with Turkey, effective May 5, 1939.

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The War

COORDINATION OF RELIEF ACTIVITIES

REPORT OF THE PRESIDENT'S COMMITTEE ON WAR RELIEF AGENCIES

Released to the press by the White House July 27]

Joseph E. Davies, Chairman of the President's Committee on War Relief Agencies, on July 27 submitted to the President a report, the text of which follows:

"Your Committee on War Relief Agencies respectfully submits the following report.

"In the foreign relief field, a degree of success has been achieved in reducing the number of agencies and coordinating the activities of those remaining. The number of active foreign relief agencies is now approximately 300 as compared with some 700 or more during the peak period in early 1941. While this is a definite improvement, further coordination and consolidation is desirable in the public interest.

Funds and contributions in kind raised by agencies registered with the Department of State from the beginning of the war to the end of May 1942 have totalled over \$71,000,000. During the same period other foreign relief agencies raised a total estimated at \$25,000,000. It is significant that the administrative and overhead costs of the agencies registered with and subject to supervision by the Department of State have averaged only about 10 percent of total receipts while those of other foreign relief agencies have averaged, on the basis of somewhat incomplete information, 30 percent or more. It is also significant that administrative expenses of the latter group have shown an appreciable decrease since the President's Committee requested periodic reports from them,

even though the Committee has been able to exercise only advisory supervision. The present rate of collections by foreign relief agencies, other than the Red Cross, is substantially below the peak, with a resulting increase in the percentage of overhead costs, but this decrease in collections is far more than offset by the increase in domestic relief solicitations.

"In the domestic relief and welfare field, the entry of the United States into the war has quite naturally resulted in the establishment of a very large number of new agencies appealing to the public for funds and contributions for the relief and welfare of our own civilian population and armed forces. As there is at present no central registration or other regulatory authority, these organizations are subject to no coordinated supervision or control and even their number can only be estimated.

"While actuated by the highest humanitarian motives, these agencies tend to duplicate each other's efforts causing public confusion and uncertainty. Undue competition among themselves and between them and the foreign relief agencies leads to a waste of financial resources and manpower and thus tends to hamper the national war effort. There is a lack of correlation between the programs of the private agencies in both the domestic and foreign relief fields, and those of the Red Cross and of the several governmental agencies concerned with various phases of relief and welfare.

"Certain important objectives of the Committee have not so far been accomplished, be-

cause of lack of authority. There remain, as indicated above, two important factors affecting national unity of effort in these times of emergency—(a) the public is subject to solicitation from far too many agencies representing an excessive amount of duplication and (b) the limited amount of leadership that exists for charitable, welfare and Government war bond campaigns is overly occupied and its effectiveness seriously diminished and dissipated.

"The Committee believes that these facts call for a central authority with general jurisdiction and powers to bring about coordination of effort and elimination of duplication and waste.

ESTABLISHMENT OF THE PRESIDENT'S WAR RELIEF CONTROL BOARD

In accordance with the recommendation of the Committee the President on July 24 signed an Executive order (9205) "Establishing the President's War Relief Control Board and Defining Its Functions and Duties". The text of the order follows:

"By virtue of the authority vested in me by the Constitution and statutes of the United States, as President of the United States of America and Commander-in-Chief of the Army and Navy, because of emergencies affecting the national security and defense, and for the purpose of controlling in the public interest charities for foreign and domestic relief, rehabilitation, reconstruction, and welfare arising from war-created needs, it is hereby ordered as follows:

"1. The President's Committee on War Relief Agencies, appointed by me on March 13, 1941, is hereby continued and established as the President's War Relief Control Board, hereinafter referred to as the Board. The Chairman of the Board shall be responsible to the President.

"2. The Board is hereby authorized and empowered—

"(a) to control, in the interest of the furtherance of the war purpose, all solicitations, sales of or offers to sell merchandise or services, col-

Pursuant thereto, the Secretary of State, upon whose recommendation this Committee was originally appointed, has suggested that, as the domestic relief field is now dominant, it would be in the national interest to consolidate, in such a central authority, supervision over both domestic and foreign relief agencies, including the administration of Section 8 (b) of the Neutrality Act, 1939, now vested in the Secretary of State.

"The Committee recommends, therefore, that adequate powers be delegated to a central authority and suggests that this might be done by the issuance of an Executive Order."

lections and receipts and distribution or disposition of funds and contributions in kind for the direct or implied purpose of (1) charities for foreign and domestic relief, rehabilitation, reconstruction and welfare arising from war-created needs in the United States or in foreign countries, (2) refugee relief, (3) the relief of the civilian population of the United States affected by enemy action, or (4) the relief and welfare of the armed forces of the United States or of their dependents; *Provided*, that the powers herein conferred shall apply only to activities concerned directly with war relief and welfare purposes and shall not extend to local charitable activities of a normal and usual character nor in any case to intra-state activities other than those immediately affecting the war effort;

"(b) (1) to provide for the registration and licensing of persons or agencies engaged in such activities and for the renewal or cancellation of such registration or licenses; (2) to regulate and coordinate the times and amounts of fund-raising appeals; (3) to define and promulgate ethical standards of solicitation and collection of funds and contributions in kind; (4) to require accounts of receipts and expenditures duly and reliably audited, and such other records and reports as the Board may deem to be in the public interest; (5) to eliminate

merge such agencies in the interests of efficiency and economy; and (6) to take such steps as may be necessary for the protection of essential local charities; and

"(c) to prescribe such rules and regulations not inconsistent with law, as the Board may determine to be necessary or desirable to carry out the purposes of this Order.

"3. The provisions of section 2 of this Order shall not apply to (a) the American National Red Cross or (b) established religious bodies which are not independently carrying out any of the activities specified in section 2 of this Order.

"4. Under the authority given me by Section 13 of the Joint Resolution of Congress approved November 4, 1939 (54 Stat. 8, 11) and Article I of the First War Powers Act, 1941, approved December 18, 1941 (Public Law No. 354, 75th Congress), and pursuant to the suggestion of the Secretary of State, it is ordered that the administration of any and all of the provisions of Section 8 (b) of the said Joint Resolution relating to the solicitation and collection of funds and contributions for relief purposes, heretofore by me vested in the Secretary of State, be and it hereby is transferred to the Board. All rules and regulations and orders which have been issued by the Secretary of State pursuant to the provisions of said Section 8 (b) and which are in effect shall continue in effect until modified, superseded, revised or repealed by the Board.

"5. Any and all matters within the jurisdiction of said Board which may be affected with a question relating to the foreign policy of the Government of the United States in connection with the administration of the powers vested in the Board by this Order shall be determined by conference with the Secretary of State, to the end that any action with respect to such matters shall be consistent with the foreign policy of the United States.

"6. For the purpose of economy in administration, the Board is authorized to utilize the

services of available and appropriate personnel of the Department of State and other Government departments and agencies and such other services, equipment, and facilities as may be made available by these departments and agencies.

"7. For the purpose of effectively carrying out the provisions of this Order, the Board may require that all war relief and welfare policies, plans, programs, procedures and methods of voluntary agencies be coordinated and integrated with those of the several Federal departments, establishments and agencies and the American Red Cross; and all these organizations shall furnish from time to time such information as the Board may consider necessary for such purposes.

"8. The Board shall from time to time submit to the President such reports and recommendations regarding war charities, relief and welfare in foreign countries and in the United States and the relationship of public and private organizations, resources and programs in these and related fields, as the public interest may require.

"9. The members of the Board shall serve as such without compensation, but shall be entitled to necessary transportation, subsistence, and other expenses incident to the performance of their duties.

"10. This Order shall remain in force during the continuance of the present war and for six months after the termination thereof, unless revoked by Presidential order."

On July 30, 1942, the President's War Relief Control Board prescribed certain regulations governing solicitation and collection of funds and contributions for war relief and welfare, which are to supersede the regulations promulgated by the Secretary of State under authority of sections 8 and 13 of the Neutrality Act of 1939 relating to relief contributions. The text of the new regulations appears in the *Federal Register* of August 1, 1942, page 5946.

STATUS OF AUSTRIA

[Released to the press July 27]

At the Secretary's press conference on July 27 a correspondent stated that there appeared to be some confusion with respect to the view of this country as to the present status of Austria and asked for clarification on this point. The Secretary replied:

"It is probable that such confusion, if it exists, has arisen from administrative steps which may have been taken by this Government in pursuance of its own laws designed to afford adequate protection to this country's interests in dealing with the situation presented by the imposition of military control over Austria and residents of Austria by Germany. This Government very clearly made known its opinions as to the manner in which the seizure of Austria took place and the relation of that seizure to this Government's well-known policy toward the taking of territory by force. This Government has never taken the position that Austria was legally absorbed into the German Reich."

ANGLO-AMERICAN CARIBBEAN COMMISSION

[Released to the press August 1]

Charles W. Taussig, United States chairman of the Anglo-American Caribbean Commission, announced on August 1 the appointment of S. Burns Weston as secretary of the American Section of the Commission.

Mr. Weston is transferring from his former position as director of the Office of the National Advisory Committee of the National Youth Administration. He was born in Yellow Springs, Ohio, and is a graduate of Antioch College and Yale Law School. Before coming to Washington he was a resident of Cleveland, Ohio.

The Anglo-American Caribbean Commission was created in March 1942 and serves as a body to advise the British and American Governments on social and economic problems affecting the Caribbean area. The other American members of the Commission are Governor Rex-

ford Guy Tugwell, of Puerto Rico, and M. Coert duBois, Chief of the Caribbean Office of the Department of State.

LIAISON WITH NETHERLANDS EAST INDIAN OFFICIALS

[Released to the press July 29]

Mr. Walter A. Foote, formerly American Consul General at Batavia, is on his way to Australia as this Government's representative in contact with the Netherlands officials there of the East Indian Services.

American Republics

AVIATION TRAINING SCHOOLS IN MEXICO

[Released to the press July 28]

Two pilot training schools, similar to the 6 operated in the United States by the Civil Aeronautics Administration, will be established in Mexico with the cooperation of the United States, the State Department announced July 28.

At the request of the Mexican Government the Civil Aeronautics Administration will detail supervisors to instruct Mexican personnel in United States aviation training methods and to assist in the establishment of the schools.

A nucleus for this purpose will soon be available when 26 Mexican young men complete aviation courses they are taking at United States schools under the supervision of the Civil Aeronautics Administration. Of this group, 18 are receiving flight training, including instruction in engine courses, while the remainder will be administrative engineers, instructor mechanics, and service mechanics.

Flight-instructor trainees from this last addition to the United Nations are now at Henson Flying Service, Inc., Hagerstown, Md.; T. Cities Aviation School, Inc., Endicott, N. Y.; Parkersburg Flying Service and Aviation School, Parkersburg, W. Va.; Roscoe Turner

ronautical Corporation, Indianapolis, Ind.;
rth Aviation Co., White Bear Lake, Minn.;
tter-Carr Flying Service, Albuquerque, N.
x.; Plains Airways, Inc., Cheyenne, Wyo.;
thwest Airways, Inc., Phoenix, Ariz.; Pa-
e Air School, Tucson, Ariz.; Calkins Air-
ft Co., Spokane, Wash.; Olympia Air Trans-
t Corporation, Sunnyside, Wash.; Curtiss-
ight Technical Institute, Glendale, Calif.

These trainees have been taking a course
which provides from 160 to 180 hours of flight
training and 360 hours of ground-school instruc-
tion, upon successful completion of which they
will meet the requirements for a Civil Aero-
nautics Administration commercial-pilot cer-
tificate with instructor rating.

COMPLETION OF THE INTER-AMERICAN HIGHWAY AS A PIONEER ROAD

[Released to the press July 28]

Arrangements have been concluded with
Guatemala, El Salvador, Honduras, Nicaragua,
Costa Rica, and Panama for the immediate link-
up of a pioneer road of the already-constructed
segments of the Inter-American Highway be-
tween the Mexican-Guatemalan border and
Panama City. This will permit road traffic at
an early date from the end of the existing
standard-gauge railway in Mexico to the
Canal Zone. The necessary surveying is al-
ready under way, and construction work will
soon be started, at the expense of the United
States Government.

The plans which have now been approved call
for the construction of approximately 625 miles
of new all-weather pioneer road to link about
100 miles of road which have already been
constructed in Central America and Panama.
The proposed minimum construction standards
for these new links provide for a roadway width
from 10 to 16 feet with an 8-inch gravel sur-
face, average maximum grades of 10 percent,
average maximum curvature of 30 meters.
The completion of this road will not only be
of strategic importance, in that it will link the
continental United States with the Canal Zone
and wholly overland transportation system, but

also it will alleviate in some degree the trans-
portation difficulties of the Central American
countries, which have hitherto depended in
large measure upon water transportation. It
is also expected that the contemplated construc-
tion will ease the economic difficulties which the
Central American countries are facing as a re-
sult of the disruption of their foreign trade
caused by the war. Arrangements have been
made for the fullest possible use of local facili-
ties, including labor, equipment, and materials.

The plan to complete the Inter-American
Highway as a pioneer road will not modify the
plan to construct a permanent Inter-American
Highway contemplated by the act of Decem-
ber 26, 1941. By this act Congress authorized
the expenditure of \$20,000,000 toward the con-
struction of a permanent Inter-American High-
way in collaboration with the Central Amer-
ican republics. The present plan will, however,
permit through traffic at a much earlier date
than originally contemplated and will facilitate
the construction of the permanent highway, on
the line of which the pioneer road is to be built.

VISIT TO THE UNITED STATES OF THE PRESIDENT-ELECT OF COLOMBIA

[Released to the press August 1]

The text of a telegram addressed from Miami
to the Secretary of State by His Excellency
Dr. Alfonso Lopez, President-elect of Colombia,
on July 28 follows:

"May I take the opportunity before leaving
for Colombia to renew my sincere gratitude
for the friendly welcome and generous hospi-
tality extended to me as well as my family and
Doctors Soto Del Corral Araujo and Jaramillo
Sanchez by your Government. We had a very
happy sojourn in the United States and I am
glad to think that it will not only be of benefit
to Colombia but it will also help to bring our
two countries even closer together. It was a
great pleasure indeed to meet you again and to
find you, Mr. Secretary, so keenly interested in
the progressive development of the good neigh-
bor policy which you so ably expounded in
Montevideo.

"Please accept my very warm personal regards and best wishes."

The Secretary of State telegraphed the following reply to the President-elect of Colombia:

"I have received your telegram of July 28. It also gave me special pleasure to renew our old and cordial association.

"Your friendly references to the foreign policy of the government of the United States reflect in my opinion the happy relations of trust and cordiality between our two countries, to which you and President Santos have made such outstanding contributions. They reflect also the leadership of Colombia toward closer and better inter-American relations, a leadership which has been indispensable in reaching the degree of inter-American solidarity which now characterizes the relations between the American countries.

"I send you again my sincere good wishes for your personal welfare and for your success in the high office which you will shortly reassume."

HEALTH AND SANITATION MISSION TO BOLIVIA

A health and sanitation mission to Bolivia has been organized as part of the inter-American health and sanitation program recommended at the Conference of American Foreign Ministers in Rio de Janeiro in January 1942. The mission will cooperate with Bolivian authorities in working out sanitation projects and will be headed by Dr. Eugene H. Payne, specialist in tropical medicine. He will be accompanied to Bolivia by Dr. Wendell H. Dove, Acting Director of the Health and Sanitation Division, Office of the Coordinator of Inter-American Affairs.

Malaria control is one of the projects under consideration to protect workers in Bolivian tropical regions.

Among other health and sanitation missions organized in collaboration with the other American republics under the Rio program are those to Brazil and Peru to aid in sanitation projects for the great Amazon basin, which also extends into the eastern regions of Bolivia.

Commercial Policy

AGREEMENT WITH THE SOVIET UNION

[Released to the press July 31]

The commercial agreement between the United States of America and the Union of Soviet Socialist Republics, which was proclaimed on and became effective on August 6, 1937 and which was renewed for successive periods of one year on August 5, 1938, August 2, 1939, August 6, 1940, and August 2, 1941, was continued in force by an exchange of identical notes at Washington on July 31, 1942 between the Secretary of State of the United States of America, Mr. Cordell Hull, and the Ambassador of the Union of Soviet Socialist Republics, Mr. Maxim Litvinoff. The notes provide that the agreement shall remain in force until August 6, 1943 and thereafter, unless superseded by a

more comprehensive commercial agreement subject to termination on six months' written notice by either Government.

Although it is expected that in the coming year the character and amount of United States trade with the Soviet Union will be governed largely by the military requirements of the United States and of the Soviet Union and other countries struggling against the forces of armed aggression, rather than by the usual commercial considerations, the exchange of notes will insure the continuance during the emergency period of our established commercial relations with the Soviet Union on the basis of the 1937 commercial agreement.

The text of the identic notes exchanged on July 31 follows:

"WASHINGTON, *July 31, 1942.*

"In accordance with the conversations which have taken place, I have the honor to confirm on behalf of my Government the agreement which has been reached between the Governments of our respective countries that the agreement regarding commercial relations between the United States of America and the Union of Soviet Socialist Republics recorded in the exchange of notes of August 4, 1937, which came into force on August 6, 1937, and which was renewed on August 5, 1938, August 2, 1939, August 6, 1940, and August 2, 1941 shall remain in force until August 6, 1943. It shall continue in force thereafter, unless superseded by a more comprehensive commercial agreement, subject to termination on six months' written notice by either Government.

"The present agreement shall be proclaimed by the President of the United States of America and approved by the Council of People's Commissars of the Union of Soviet Socialist Republics.

"Accept [etc.]"

The following text is that of the agreement of August 4, 1937.¹

"With reference to recent conversations which have taken place in regard to commerce between the United States of America and the Union of Soviet Socialist Republics, I have the honor to confirm and to make of record by this note the following agreement which has been reached between the Governments of our respective countries:

"One. The United States of America will grant to the Union of Soviet Socialist Republics unconditional and unrestricted most-favored-nation treatment in all matters concerning customs duties and charges of every kind and in the method of levying duties, and, further, in all matters concerning the rules, formalities and charges imposed in connection with the clearing of goods through the customs,

and with respect to all laws or regulations affecting the sale or use of imported goods within the country.

"Accordingly, natural or manufactured products having their origin in the Union of Soviet Socialist Republics shall in no case be subject, in regard to the matters referred to above, to any duties, taxes or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like products having their origin in any third country are or may hereafter be subject.

"Similarly, natural or manufactured products exported from the territory of the United States of America and consigned to the territory of the Union of Soviet Socialist Republics shall in no case be subject with respect to exportation and in regard to the above-mentioned matters, to any duties, taxes, or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like products when consigned to the territory of any third country are or may hereafter be subject.

"Any advantage, favor, privilege or immunity which has been or may hereafter be granted by the United States of America in regard to the above-mentioned matters, to a natural or manufactured product originating in any third country or consigned to the territory of any third country shall be accorded immediately and without compensation to the like product originating in or consigned to the territory of the Union of Soviet Socialist Republics.

"It is understood that so long as and in so far as existing law of the United States of America may otherwise require, the foregoing provisions, in so far as they would otherwise relate to duties, taxes or charges on coal, coke manufactured therefrom, or coal or coke briquettes, shall not apply to such products imported into the United States of America. If the law of the United States of America shall not permit the complete operation of the foregoing provisions with respect to the above-mentioned products, the Union of Soviet Socialist Republics reserves the right within fifteen days after January 1, 1938, to terminate this agree-

ment in its entirety on thirty days' written notice.

"It is understood, furthermore, that the advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions, the Philippine Islands, or the Panama Canal Zone to one another or to the Republic of Cuba shall be excepted from the operation of this agreement.

"Nothing in this agreement shall be construed to prevent the adoption of measures prohibiting or restricting the exportation or importation of gold or silver, or to prevent the adoption of such measures as the Government of the United States of America may see fit with respect to the control of the export or sale for export of arms, ammunition, or implements of war, and, in exceptional cases, all other military supplies. It is understood that any action which may be taken by the President of the United States of America under the authority of Section 2 (b) of the Neutrality Act of 1937 in regard to the passage of title to goods shall not be considered as contravening any of the provisions of this agreement relating to the exportation of natural or manufactured products from the territory of the United States of America.

"Subject to the requirement that no arbitrary discrimination shall be effected by the United

States of America against importations from the Union of Soviet Socialist Republics and in favor of those from any third country, the foregoing provisions shall not extend to prohibitions or restrictions (1) imposed on moral or humanitarian grounds, (2) designed to protect human, animal, or plant life, (3) relating to prison-made goods, or (4) relating to the enforcement of police or revenue laws.

"Two. On its part the Government of the Union of Soviet Socialist Republics will take steps to increase substantially the amount of purchases in the United States of America for export to the Union of Soviet Socialist Republics of articles the growth, produce, or manufacture of the United States of America.

"Three. This agreement shall come into force on the day of proclamation thereof by the President of the United States of America and of approval thereof by the Soviet of People's Commissars of the Union of Soviet Socialist Republics, which proclamation and approval shall take place on the same day. It shall continue in effect for twelve months. Both parties agree that not less than thirty days prior to the expiration of the aforesaid period of twelve months they shall start negotiations regarding the extension of the period during which the present agreement shall continue in force."

TRADE-AGREEMENT NEGOTIATIONS WITH IRAN

[Released to the press July 29]

The Secretary of State issued on July 29 formal notice of intention to negotiate a trade agreement with the Government of Iran.

The Committee for Reciprocity Information issued simultaneously a notice setting the dates for the submission to it of information and views in writing and of applications to appear at public hearings to be held by the Committee, and fixing the time and place for the opening of the hearings.

There is printed below a list of products which will come under consideration for the possible granting of concessions by the Government

of the United States. Representations which interested persons may wish to make to the Committee for Reciprocity Information need not be confined to the articles appearing on the list but may cover any articles of actual or potential interest in the import or export trade of the United States with Iran. However, only the articles contained in the list issued on July 29 or in any supplementary list issued later will come under consideration for the possible granting of concessions by the Government of the United States.

Suggestions with regard to the form and content of presentations addressed to the Com-

Committee for Reciprocity Information are included in a statement released by that Committee on December 13, 1937.

A compilation showing the total trade between the United States and Iran during the years 1929-40 inclusive, together with the principal products involved in the trade between the two countries during 1939 and 1940, is printed below.

DEPARTMENT OF STATE

TRADE-AGREEMENT NEGOTIATIONS WITH IRAN

Public Notice

Pursuant to section 4 of an act of Congress approved June 12, 1934, entitled "An Act To amend the Tariff Act of 1930", as extended by Public Resolution 61, approved April 12, 1940, and to Executive Order 6750, of June 27, 1934, I hereby give notice of intention to negotiate a trade agreement with the Government of Iran. All presentations of information and views in writing and applications for supplemental oral presentation of views with respect to the negotiation of such agreement should be submitted to the Committee for Reciprocity Information in accordance with the announcement of this date issued by that Committee concerning the manner and dates for the submission of briefs and applications and the time set for public hearings.

CORDELL HULL
Secretary of State

WASHINGTON, D.C.,
July 29, 1942.

COMMITTEE FOR RECIPROCITY INFORMATION TRADE-AGREEMENT NEGOTIATIONS WITH IRAN

Public Notice

Closing date for submission of briefs, August 27, 1942; closing date for application to be heard, August 27, 1942; public hearings open, September 9, 1942.

The Committee for Reciprocity Information hereby gives notice that all information and views in writing, and all applications for supplemental oral presentation of views, in regard

to the negotiation of a trade agreement with the Government of Iran, of which notice of intention to negotiate has been issued by the Secretary of State on this date, shall be submitted to the Committee for Reciprocity Information not later than 12 o'clock noon, August 27, 1942. Such communications should be addressed to "The Chairman, Committee for Reciprocity Information, Tariff Commission Building, Eighth and E Streets NW., Washington, D.C."

A public hearing will be held, beginning at 10 a.m. on September 9, 1942, before the Committee for Reciprocity Information, in the hearing room of the Tariff Commission in the Tariff Commission Building, where supplemental oral statements will be heard.

Six copies of written statements, either typewritten or printed, shall be submitted, of which one copy shall be sworn to. Appearance at hearings before the Committee may be made only by those persons who have filed written statements and who have within the time prescribed made written application for a hearing, and statements made at such hearings shall be under oath.

By direction of the Committee for Reciprocity Information this 29th day of July 1942.

E. G. MARTIN
Acting Secretary

WASHINGTON, D.C.,
July 29, 1942.

LIST OF PRODUCTS ON WHICH THE UNITED STATES WILL CONSIDER GRANTING CONCESSIONS TO IRAN

NOTE: The rates of duty indicated are those now applicable to products of Iran. When the rate is one which has been reduced pursuant to a previous trade agreement by 50 percent (the maximum permitted by the Trade Agreements Act), this fact is indicated by the symbol MR. When the rate represents a reduction pursuant to a previous trade agreement, but less than a 50-percent reduction, this is indicated by the symbol R. When an item has been bound free of duty in a previous trade agreement, this is indicated by the symbol B.

For the purpose of facilitating identification of the articles listed, reference is made in the list to the paragraph numbers of the tariff schedules in the Tariff Act of 1930. The descriptive phraseology is, however, in a number of cases limited to a narrower field than that covered by the numbered tariff paragraph. In such cases only the articles covered by the descriptive phraseology of the list will come under consideration for the granting of concessions.

In the event that articles which are at present regarded as classifiable under the descriptions included in the list are excluded therefrom by judicial decision or otherwise prior to the conclusion of the agreement, the list will nevertheless be considered as including such articles.

United States Tariff Act of 1930 Paragraph	Description of article	Present rate of duty	Sym- bol
35.....	Asafetida, natural and uncom- pounded, but advanced in value or condition by shred- ding, grinding, chipping, crushing, or any other process or treatment whatever beyond that essential to proper pack- ing and the prevention of de- cay or deterioration pending manufacture, not containing alcohol.	10% ad val.	
59.....	Opium containing not less than 8.5 per centum of anhydrous morphine: <i>Provided</i> , That nothing herein contained shall be so construed as to impair or affect in any manner the provisions of the Narcotic Drugs Import and Export Act, as amended.	\$3 per lb.	
73.....	Iron-oxide and iron-hydroxide pigments, not specially pro- vided for: Natural.....	20% ad val.	
339.....	Table, household, kitchen, and hospital utensils, and hollow or flatware, not specially pro- vided for: Composed wholly or in chief value of copper or brass, not plated with platinum, gold, or silver, and not specially pro- vided for.	35% or 40% ad val. ^a	R

^a In the trade agreement with the United Kingdom, effective Jan. 1, 1939, the rate of duty on table, household, kitchen, and hospital utensils, and hollow or flatware, not specially provided for, composed wholly or in chief value of copper (including copper in alloys other than brass), not plated with platinum, gold, or silver, and not specially provided for, was reduced to 35% ad valorem.

United States Tariff Act of 1930 Paragraph	Description of article	Present rate of duty	Sym- bol
721 (d).....	Caviar and other fish roe for food purposes: Sturgeon, not boiled.....	30% ad val.	
736.....	Berries, edible, dried, desiccated, or evaporated.	2½¢ per lb.	
741.....	Dates, fresh or dried, except when packed in units of any description weighing (with the immediate container, if any) not more than ten pounds each: With pits..... With pits removed.....	1¢ per lb. 2¢ per lb.	
756.....	Almonds: Not shelled..... Shelled.....	5½¢ per lb. 16½¢ per lb.	
761.....	Pistache nuts: Not shelled..... Shelled.....	1¼¢ per lb. 2¼¢ per lb.	M M
762.....	Apricot and peach kernels.....	3¢ per lb.	
911 (a).....	Quilts or bedspreads, wholly or in chief value of cotton, whether in the piece or otherwise, if block-printed by hand.	25% ad val.	
911 (b).....	Table and bureau covers, center-pieces, runners, scarfs, napkins, and doilies, made of plain-woven cotton cloth, and not specially provided for, if block-printed by hand.	30% ad val.	
1101 (b).....	Hair of the camel entered, or withdrawn from warehouse, under bond and used in the manufacture of press cloth, camel's hair belting, knit or felt boots, heavy fulled lumbermen's socks, rugs, carpets, or any other floor coverings.	Free, subject to the provisions of paragraph 1101 of the Tariff Act of 1930, as amended.	
1102 (b).....	Hair of the Cashmere goat: In the grease or washed..... Scoured..... On the skin..... Sorted, or matchings, if not scoured.	34¢ per lb. of clean content. 37¢ per lb. of clean content. 32¢ per lb. of clean content. 35¢ per lb. of clean content.	
1116 (a).....	Oriental, Axminster, Savonnerie, Aubusson, and other carpets, rugs, and mats, not made on a power-driven loom, plain or figured, whether woven as separate carpets, rugs, or mats, or in rolls of any width.	30¢ per sq. ft., but not less than 45% ad val.	
1528.....	Turquoise, cut but not set, and suitable for use in the manufacture of jewelry.	10% ad val.	
1529 (a).....	Quilts and bedspreads, wholly or in chief value of cotton, whether in the piece or otherwise; table and bureau covers,	90% ad val.	

United States Tariff Act of 1930 Paragraph	Description of article	Present rate of duty	Sym- bol
520 (a)— Cont.	centerpieces, runners, scarfs, napkins, and doilies, made of plain-woven cotton cloth; all the foregoing in part of fringe and block-printed by hand.		
522	Cigar and cigarette boxes, finished or unfinished and not specially provided for, wholly or in chief value of wood or wholly or in chief value of silver.	60% ad val.	
502	Asafetida, natural and uncompounded, and in a crude state, not advanced in value or condition by shredding, grinding, chipping, crushing, or any other process or treatment whatever beyond that essential to proper packing and the prevention of decay or deterioration pending manufacture, not containing alcohol.	Free.	
537	Bristles, crude, not sorted, bunched, or prepared.	Free.	
538	Turquoise, rough or uncut, and not advanced in condition or value from its natural state by cleaving, splitting, cutting, or other process, whether in its natural form or broken, not set.	Free.	
539	Drugs which are natural and uncompounded and not edible, and not specially provided for, and are in a crude state, not advanced in value or condition by shredding, grinding, chipping, crushing, or any other process or treatment whatever beyond that essential to the proper packing of the drugs and the prevention of decay or deterioration pending manufacture, not containing alcohol:		
540	Quince seed, non-germinating...	Free.	
541	Dyeing or tanning materials:		
542	Saffron and madder, whether crude or advanced in value or condition by shredding, grinding, chipping, crushing, or any similar process, not containing alcohol.	Free.	
543	Furs and fur skins, not specially provided for, undressed:		
544	Badger.....	Free.	
545	Fox (other than silver or black fox).	Free.....	B
546	Persian lamb and caracul.....	Free.....	B
547	Lamb and sheep (other than Persian lamb and caracul).	Free.....	B
548	Goat and kid.....	Free.....	B
549	Marten.....	Free.....	B
550	Wolf.....	Free.....	B
551	Jackal.....	Free.....	B

United States Tariff Act of 1930 Paragraph	Description of article	Present rate of duty	Sym- bol
1686	Gums and resins: Tragacanth.....	Free. Free.	
1688	Natural gums, natural gum resins, and natural resins, not specially provided for.		
1688	Hair of goats, cleaned or uncleaned, drawn or undrawn, but unmanufactured, not specially provided for.	Free.	
1700	Iron ore containing iron oxide or iron hydroxide, and suitable for the manufacture of pigments.	Free.	
1722	Henna leaves, crude or unmanufactured, not specially provided for.	Free.	
1755	Sausage casings, weasands, intestines, bladders, tendons, and integuments, not specially provided for; all the foregoing produced from sheep, lambs, and goats.	Free.....	B
1768	Spices and spice seeds: (2) Cumin.....	Free.	
1811	Works of art: Rugs and carpets made prior to the year 1701.	Free.....	B

TRADE OF THE UNITED STATES WITH IRAN

(Compiled by the Department of Commerce)

(Values in thousands of dollars)

Year	Exports to Iran ^a	General im- ports from Iran	Merchandise balance ^b
1929.....	2, 430	8, 648	-6, 218
1930.....	2, 743	5, 797	-3, 054
1931.....	1, 057	4, 457	-3, 400
1932.....	1, 082	2, 764	-1, 682
1933.....	1, 409	3, 353	-1, 944
1934.....	3, 687	3, 286	+401
1935.....	4, 339	3, 635	+704
1936.....	5, 103	3, 736	+1, 367
1937.....	5, 456	5, 943	-487
1938.....	9, 119	3, 245	+5, 874
1939.....	4, 420	4, 380	+40
1940.....	6, 465	8, 648	-2, 183

^a Includes re-exports.^b Plus sign equals excess of U.S. exports; minus sign equals excess of U.S. imports.

UNITED STATES EXPORTS TO IRAN

By Principal Commodities

(Values in thousands of dollars)

Commodity	1939		1940	
	Quantity	Value	Quantity	Value
Exports, including re-exports, total		4, 420		6, 465
Rubber tire casings, automobile, number	26, 900	860	22, 286	645
Automobile inner tubes, number	31, 204	74	20, 919	50
Other vegetable products, inedible		9		12
Textile fibers and manufactures		8		14
Wood and paper		4		10
Lubricating oil, barrels	492	8	4, 987	73
Asbestos and manufactures		12		11
Sulphur, crude, tons	5, 400	127	2, 500	58
Steel ingots, blooms, billets and slabs, sheet bars and tin plate bars, tons			949	57
Iron and steel bars and rods, lbs	19, 921	1	16, 899, 248	371
Iron and steel plates, lbs			6, 941, 929	221
Iron and steel sheets, galvanized, lbs	22, 530	1	5, 023, 278	171
Steel sheets, black, ungalvanized, lbs	116, 469	2	6, 146, 833	208
Strip, hoop, band and scroll, iron or steel, lbs			1, 043, 160	23
Railway track material				673
Tubular products and fittings, 1,000 lbs	4, 245	198	1, 407	125
Structural iron and steel		7		127
Wire and manufactures, lbs	96, 326	34	324, 708	9
Nails and bolts (except railroads), lbs	111, 106	5	117, 321	12
Tools		16		26
Metal drums and containers for oil, gas, and other liquids		5		9
Other iron and steel advanced manufactures		19		29
Refined copper in cathodes, billets, ingots, bars, and other forms, lbs	110, 482	14	2, 125, 913	243
Other metals and manufactures		5		32
Batteries		8		2
Transmission and distribution apparatus and parts		16		2
Electrical refrigerators and parts		16		7
Electric fans, number	611	7	196	1
Radio apparatus		35		86
Other electrical machinery and apparatus		92		225
Steam engines, boilers and accessories		43		25
Construction and conveying machinery and parts		129		82
Well and refining machinery and parts		666		190
Pumping equipment and parts		138		40
Self-contained air-conditioning units and parts		51		0.
Air-conditioning equipment and parts		237		0.
Cotton gins, cotton presses and parts		69		11
Air compressors, number	8	6	1	16
Iron or steel body valves and parts for steam, water, oil, and gas		100		15
Other industrial machinery		37		19
Tracklaying tractors (carburetor type) number	20	44		
Tracklaying tractors (fuel injection type), number			8	39
Motor trucks, busses, and chassis, new, number	261	294	339	1, 266
Passenger cars and chassis (new) number	439	344	354	285

UNITED STATES EXPORTS TO IRAN—Continued

By Principal Commodities

(Values in thousands of dollars)

Commodity	1939		1940	
	Quantity	Value	Quantity	Value
Automobile parts for assembly		34		0.1
Automobile parts for replacement		193		327
Automobile accessories		4		0.7
Engines, number	23	34		
Parts for aircraft		7		17
Tractor machinery and vehicles		19		25
Chemical specialties		141		126
Industrial chemicals		111		45
Other chemicals and related articles		4		16
Scientific and professional instruments, apparatus, and supplies		11		5
Motor planes (powered), number			25	108
Trucks and drays, number			225	25
Other exports		126		158.6

UNITED STATES IMPORTS FROM IRAN

By Principal Commodities

(Values in thousands of dollars)

Commodity	1939		1940	
	Quantity	Value	Quantity	Value
General imports, total		4,380		8,648
Wool casings, sheep, lamb, and goat, 1,000 lbs	125	205	492	926
Goat and kid skins, dry and dry salted, 1,000 lbs	868	120	2,023	375
Processed furs:				
Fox, other than silver or black, 1,000	25	45	76	140
Persian lamb and caracul, 1,000	103	354	660	1,660
Other lamb and sheep, 1,000	5	8	31	56
Goat and kid skin, 1,000	3	1	81	33
Marten, 1,000	8	72	9	104
Pelts, fresh or dried, with pits removed, 1,000 lbs	1,626	71	2,146	67
Peanut shells, not shelled, 1,000 lbs	683	157	441	88
Peanut seed, 1,000 lbs	22	1	48	30
Gum, 1,000 lbs	2,918	1,195	3,324	1,447
Peanut seed, 1,000 lbs	113	61	153	117
Wool, Smyrna, and similar wools without Merino or English blood, washed (clean content), 1,000 lbs	20	4	414	158
Wool, Axminster, Savonnerie, Aubusson, and other wool carpets and carpeting, mats, etc., not made on power-driven loom, 1,000 sq. ft.	2,404	2,009	3,122	2,650
Other imports		77		797

INTERNATIONAL WHEAT COUNCIL

[Released to the press August 1]

The Memorandum of Agreement regarding international trade in wheat¹ declares that a satisfactory solution of the wheat problem requires an International Wheat Agreement and that such an agreement necessitates a conference of the nations willing to participate which have a substantial interest in international trade in wheat. There is attached to the Memorandum of Agreement a Draft Convention designed to facilitate further international consideration of the subject at such time as may be possible and to provide a basis for such interim measures as may be found necessary.

Recognizing that it is impracticable to convene at the present time an international conference to enter into such a convention and realizing the necessity for instituting temporary controls and for establishing without de-

lay a pool of wheat for relief purposes, the five participating countries agreed to regard as in effect among themselves certain of the arrangements described in the Draft Convention. With a view to the administration of these controls and of the relief pool of wheat, these arrangements provide for the establishment of an International Wheat Council, the first meeting of which will be held early in August.

The President has approved the designation of the following persons as United States delegates to the International Wheat Council:

The Honorable Paul H. Appleby, Under Secretary Agriculture, *chairman*
 Leslie A. Wheeler, Director of Foreign Agricultural Relations, Department of Agriculture
 Norris E. Dodd, Director, Western Division, Agricultural Adjustment Administration, Department of Agriculture
 Robert M. Carr, Ph.D., Assistant Chief, Division of Commercial Policy and Agreements, Department of State

General

ANALYSIS OF STATE DEPARTMENT APPROPRIATIONS FOR THE FISCAL YEAR 1943

The first of the following tables shows the increases and decreases in the State Department's appropriations for the 1943 fiscal year as compared with 1942. The second table shows

increases and decreases made by Congress in the 1943 budget estimates submitted by the President.

The Department's appropriation act for 1943 was approved by the President on July 2, 1943 (Public Law 644).

¹ *Bulletin* of July 4, 1942, p. 582.

² For similar comparisons in connection with the 1942 appropriations, see the *Bulletin* of July 19, 1941.

RECAPITULATION OF TABLE No. I

COMPARISON OF DEPARTMENT OF STATE APPROPRIATIONS IN THE REGULAR ANNUAL ACTS FOR THE FISCAL YEARS 1942 AND 1943

Appropriation titles	Appropriations for 1943	Appropriations for 1942	Increase (+), decrease (-) for 1943	Reasons for increase or decrease
Department Proper-----	\$5, 583, 200	\$3, 168, 440	+\$2, 414, 760	See statements of details printed in Table I below.
International Defense Activities----	750, 000	150, 000	+ 600, 000	
Foreign Service (exclusive of Emergency Fund).-----	14, 783, 800	13, 681, 900	+1, 101, 900	
Emergency Fund-----	1, 500, 000	500, 000	+1, 000, 000	
Foreign Service Buildings-----	275, 000	450, 000	- 175, 000	
International Obligations-----	4, 164, 700	3, 548, 900	+ 615, 800	
GRAND TOTAL-----	27, 056, 700	21, 499, 240	+5, 557, 460	

TABLE No. I

COMPARISON OF DEPARTMENT OF STATE APPROPRIATIONS IN THE REGULAR ANNUAL ACTS FOR THE FISCAL YEARS 1942 AND 1943

Appropriation titles	Appropriations for 1943	Appropriations for 1942	Increase (+), decrease (-) for 1943	Reasons for increase or decrease
DEPARTMENT PROPER				
Salaries, Department of State.	\$4, 975, 000	\$2, 724, 440	+\$2, 250, 560	The increase is to provide for continuing during 1943 numerous additional emergency positions which were authorized or filled for only a portion of the fiscal year 1942; for additional emergency personnel; for promotions; and for adjustments as required under the present emergency.
Contingent Expenses, Department of State.	311, 000	166, 600	+144, 400	Increase is to provide for additional equipment and supplies for expansion of Department's work and personnel.
Printing and Binding, Department of State.	228, 600	210, 900	+17, 700	Increased demands placed on this appropriation for printed supplies and for printing the Proclaimed List of Blocked Nationals will be met in part by this increase.

TABLE No. I—Continued

COMPARISON OF DEPARTMENT OF STATE APPROPRIATIONS IN THE REGULAR ANNUAL ACTS FOR THE FISCAL YEARS 1942 AND 1943

Appropriation titles	Appropriations for 1943	Appropriations for 1942	Increase (+), decrease (—) for 1943	Reasons for increase or decrease
DEPARTMENT PROPER—Cont.				
Passport Agencies, Department of State.	\$54, 400	\$52, 500	+\$1, 900	Increase for salary advancements.
Collecting and Editing Official Papers of the Territories of the United States.	14, 200	14, 000	+200	Increase for salary advancements.
TOTAL, DEPARTMENT PROPER.	5, 583, 200	3, 168, 440	+2, 414, 760	
NATIONAL DEFENSE ACTIVITIES.	750, 000	150, 000	+600, 000	Appropriation for 1943 is for the Auxiliary Foreign Service, while appropriation for 1942 was for export-licensing work in the Department. Basis not comparable.
FOREIGN SERVICE				
Salaries of Ambassadors and Ministers.	595, 000	635, 000	—40, 000	This decrease is due to withdrawal of diplomatic representation from various areas.
Salaries of Foreign Service Officers.	4, 224, 000	4, 232, 600	—8, 600	General decrease.
Transportation, Foreign Service.	717, 000	717, 200	—200	General decrease.
Office and Living Quarters, Foreign Service.	2, 080, 000	2, 138, 000	—58, 000	This decrease results from reduction in number of diplomatic and consular offices.
Cost of Living Allowances, Foreign Service.	458, 000	338, 500	+119, 500	Increase is required for supplemental allowances to American officers and employees to maintain families in the United States as a result of the emergency.
Representation Allowances, Foreign Service.	150, 000	163, 000	—13, 000	General decrease.
Foreign Service Retirement and Disability Fund.	630, 800	621, 700	+9, 100	This increase is required pursuant to the computation by the actuarial tables in accordance with existing law.
Salaries, Foreign Service clerks.	2, 897, 000	2, 867, 000	+30, 000	Increase granted for continuing salary-promotion policy.
Miscellaneous salaries and allowances, Foreign Service.	722, 000	730, 000	—8, 000	Decrease of \$17,000 due to reduction in number of diplomatic and consular offices offset by increase of \$9,000 for continuing salary-promotion policy.

TABLE No. I—Continued

COMPARISON OF DEPARTMENT OF STATE APPROPRIATIONS IN THE REGULAR ANNUAL ACTS FOR THE FISCAL YEARS 1942 AND 1943

Appropriation titles	Appropriations for 1943	Appropriations for 1942	Increase (+), decrease (−) for 1943	Reasons for increase or decrease
FOREIGN SERVICE—Continued				
Contingent Expenses, Foreign Service.	\$2, 310, 000	\$1, 238, 900	+\$1, 071, 100	Increase required for telegraph expenses.
TOTAL, FOREIGN SERVICE (EXCLUSIVE OF EMERGENCY FUND).	14, 783, 800	13, 681, 900	+1, 101, 900	
EMERGENCIES ARISING IN THE DIPLOMATIC AND CONSULAR SERVICE.	1, 500, 000	500, 000	+1, 000, 000	General increase.
FOREIGN SERVICE BUILDINGS FUND.	275, 000	450, 000	−175, 000	General decrease in construction work.
INTERNATIONAL OBLIGATIONS				
United States Contributions to International Commissions, Congresses, and Bureaus.	996, 500	1, 026, 600	−30, 100	Decrease due to Department's policy of suspending contributions to Bureaus located in war areas.
International Boundary Commission, United States and Mexico (Regular Commission).	239, 600	200, 000	+39, 600	Increase required for maintenance and operation of additional completed portion of construction projects.
Lower Rio Grande Flood Control.	949, 460	950, 000	−540	General decrease.
Rio Grande Canalization Project.	-----	440, 000	−440, 000	Project nearing completion.
Douglas—Agua Prieta Sanitation Project.	90, 000	-----	+90, 000	New project.
Cordova Island Fence Construction.	-----	6, 500	−6, 500	Nonrecurring.
Western Boundary Fence Construction.	15, 000	25, 000	−10, 000	General decrease in construction.
International Boundary Commission, United States and Canada and Alaska and Canada.	43, 800	43, 000	+800	Increase for salary advancements.
Salaries and Expenses, International Joint Commission, United States and Great Britain.	29, 200	27, 000	+2, 200	Increase for salary advancements and traveling expenses.
Special and Technical Investigations, International Joint Commission, United States and Great Britain.	48, 500	48, 500	-----	

TABLE No. I—Continued

COMPARISON OF DEPARTMENT OF STATE APPROPRIATIONS IN THE REGULAR ANNUAL ACTS FOR THE FISCAL YEARS 1942 AND 1943

Appropriation titles	Appropriations for 1943	Appropriations for 1942	Increase (+), decrease (—) for 1943	Reasons for increase or decrease
INTERNATIONAL OBLIGATIONS— Continued				
International Fisheries Commission.	\$27, 680	\$28, 000	—\$320	General decrease.
International Pacific Salmon Fisheries Commission.	39, 960	40, 000	—40	General decrease.
Arbitration of Claim between United States and Netherlands.	-----	14, 000	—14, 000	Nonrecurring.
Cooperation with the American republics.	1, 685, 000	700, 300	+984, 700	Increase is for expansion of program. Broad administrative authority given Department makes listing projects here impracticable.
TOTAL, INTERNATIONAL OBLIGATIONS.	4, 164, 700	3, 548, 900	+615, 800	
GRAND TOTAL-----	27, 056, 700	21, 499, 240	+5, 557, 460	

TABLE No. I—PART 2

SUPPLEMENTAL AND DEFICIENCY APPROPRIATIONS MADE SUBSEQUENT TO THE SUBMISSION OF THE 1943 BUDGET

Appropriation titles	Appropriations for 1943 *	Appropriations for 1942
DEPARTMENT PROPER		
Salaries, Department of State-----		\$985, 3
Contingent Expenses, Department of State-----		290, 0
Passport Agencies, Department of State-----		8, 2
TOTAL, DEPARTMENT PROPER-----		1, 283, 50
FOREIGN SERVICE		
Transportation, Foreign Service-----		800, 00
Cost of Living, Foreign Service-----		120, 00
Miscellaneous Salaries and Allowances, Foreign Service-----		9, 00
Contingent Expenses, Foreign Service-----		1, 591, 50
Emergencies Arising in the Diplomatic and Consular Service-----		6, 000, 00
TOTAL, FOREIGN SERVICE-----		8, 520, 50

See footnote at end table.

TABLE No. I—PART 2—Continued

SUPPLEMENTAL AND DEFICIENCY APPROPRIATIONS MADE SUBSEQUENT TO THE SUBMISSION OF THE 1943 BUDGET

Appropriation titles	Appropriations for 1943 *	Appropriations for 1942
INTERNATIONAL OBLIGATIONS		
United States contributions to International Commissions, Congresses, and Bureaus		\$18, 800
International Boundary Commission, United States and Mexico		50, 000
International Boundary Commission, United States and Canada and Alaska and Canada.		577
International Joint Commission, United States and Great Britain:		
Salaries and expenses		400
Special and technical investigations		11, 600
Alaskan International Highway Commission		4, 000
Agrarian Claims Commission, United States and Mexico		15, 000
International Meteorological Congress		14, 500
Inter-American Travel Congress		3, 500
Fourth Pan American Highway Congress		6, 500
TOTAL, INTERNATIONAL OBLIGATIONS		124, 877
UNIDENTIFIED CLAIMS		3, 659
GRAND TOTAL OF SUPPLEMENTALS AND DEFICIENCIES		9, 932, 601

* Supplemental appropriations for 1943 have not yet been made but there are a number already pending and others will be considered from time to time.

APPROPRIATION FOR FOREIGN SERVICE PAY ADJUSTMENT
(Contained in Independent Offices Appropriation Bill)

Appropriation titles	Appropriations for 1943	Appropriations for 1942	Increase (+), de- crease (—) for 1943	Reasons for increase or decrease
Foreign Service Pay Adjust- ment.	\$1, 350, 000	\$975, 000	+\$375, 000	Increase requested on basis of specific computation at time estimate was prepared.

TABLE No. II

DEPARTMENT OF STATE—FISCAL YEAR 1943

Title of appropriation	Approved by President for submission to Congress	Appropriation approved by Congress	Increase (+) decrease (—)
DEPARTMENT OF STATE			
Salaries, Department of State	\$5, 023, 500	\$4, 975, 000	—\$48, 500
Contingent Expenses, Department of State	320, 000	311, 000	—9, 000
Printing and Binding, Department of State	260, 000	228, 600	—31, 400
Transport Agencies, Department of State	54, 400	54, 400	

TABLE No. II—Continued
DEPARTMENT OF STATE—FISCAL YEAR 1943

Title of appropriation	Approved by President for submission to Congress	Appropriation approved by Congress	Increase (+) decrease (—)
DEPARTMENT OF STATE—Continued.			
Collecting and Editing Official Papers of the Territories of the United States.	\$14, 200	\$14, 200	-----
TOTAL, DEPARTMENT OF STATE -----	5, 672, 100	5, 583, 200	—\$88, 900
NATIONAL DEFENSE ACTIVITIES -----	750, 000	750, 000	-----
FOREIGN SERVICE			
Salaries, Ambassadors and Ministers-----	635, 000	595, 000	—40, 000
Salaries, Foreign Service Officers-----	4, 298, 700	4, 224, 000	—74, 700
Transportation, Foreign Service-----	717, 200	717, 000	—200
Office and Living Quarters, Foreign Service-----	2, 100, 000	2, 080, 000	—20, 000
Cost of Living Allowances, Foreign Service-----	458, 500	458, 000	—500
Representation Allowances, Foreign Service-----	150, 000	150, 000	-----
Foreign Service Retirement and Disability Fund-----	630, 800	630, 800	-----
Salaries, Foreign Service Clerks-----	2, 897, 000	2, 897, 000	-----
Miscellaneous Salaries and Allowances, Foreign Service-----	748, 000	722, 000	—26, 000
Contingent Expenses, Foreign Service-----	2, 321, 900	2, 310, 000	—11, 900
Emergencies Arising in the Diplomatic and Consular Service-----	1, 500, 000	1, 500, 000	-----
TOTAL, FOREIGN SERVICE -----	16, 457, 100	16, 283, 800	—173, 300
FOREIGN SERVICE BUILDINGS FUND -----	233, 000	275, 000	+42, 000
INTERNATIONAL OBLIGATIONS			
Contributions, Quotas, etc-----	1, 027, 480	996, 500	—30, 980
Mexican Boundary Commission:			
Regular Commission-----	241, 800	239, 600	—2, 200
Lower Rio Grande Flood Control-----	950, 000	949, 460	—540
Douglas—Agua Prieta Sanitation Project-----	90, 000	90, 000	-----
Fence Construction-----		15, 000	+15, 000
International Boundary Commission, United States and Canada and Alaska and Canada.	43, 800	43, 800	-----
International Joint Commission, United States and Great Britain:			
Salaries and Expenses-----	31, 200	29, 200	—2, 000
Special and Technical Investigations-----	48, 500	48, 500	-----
International Fisheries Commission-----	28, 000	27, 680	—320
International Pacific Salmon Fisheries Commission-----	40, 000	39, 960	—40
Cooperation with the American republics-----	1, 819, 500	1, 685, 000	—134, 500
TOTAL, INTERNATIONAL OBLIGATIONS -----	4, 320, 280	4, 164, 700	—155, 580
GRAND TOTAL -----	27, 432, 480	27, 056, 700	—375, 780

CONTRIBUTIONS FOR RELIEF IN BELLIGERENT COUNTRIES

[Released to the press July 31]

A tabulation of contributions collected and disbursed during the period September 6, 1939 through June 1942, as shown in the reports submitted by persons and organizations registered with the Secretary of State for the solicitation and collection of contributions to be used for relief in belligerent countries, in conformity with the regulations issued pursuant to section 3 (a) of the act of May 1, 1937 as made effective by the President's proclamations of September 5, 8, and 10, 1939, and section 8 of the act of November 4, 1939 as made effective by the President's proclamation of the same date, has been released by the Department of State in mimeographed form and may be obtained from the Department upon request (press release of July 31, 1942, 34 pages).

This tabulation has reference only to contributions solicited and collected for relief in belligerent countries (France; Germany; Poland; the United Kingdom, India, Australia, Canada, New Zealand, and the Union of South Africa; Norway; Belgium; Luxembourg; the Netherlands; Italy; Greece; Yugoslavia; Hungary; and Bulgaria) or for the relief of refugees driven out of these countries by the present war.

The Department

APPOINTMENT OF OFFICERS

Mr. Gordon P. Merriam was appointed an Assistant Chief of the Division of Near Eastern Affairs, effective July 16, 1942 (Departmental Order 1073).

Mr. Edward G. Miller, Jr., and Mr. Bernard Meltzer were designated Assistant Chiefs of the Foreign Funds Control Division, effective July 16, 1942 (Departmental Order 1074).

The Foreign Service

PERSONNEL CHANGES

[Released to the press August 1]

The following changes have occurred in the American Foreign Service since July 25, 1942:

Robert A. Acly, of Stockbridge, Mass., Consul at Johannesburg, Transvaal, Union of South Africa, has been assigned as Consul at Capetown, Cape Province, Union of South Africa.

Norris B. Chipman, of Washington, D. C., Second Secretary of Legation and Consul at Cairo, Egypt, has been assigned for duty in the Department of State.

Paul F. Du Vivier, of New York, N. Y., Vice Consul at St. John's, Newfoundland, has been assigned as Vice Consul at Marseilles, France.

Arthur L. Richards, of Pasadena, Calif., Vice Consul at Capetown, Cape Province, Union of South Africa, has been designated Second Secretary of Legation at Pretoria, Transvaal, Union of South Africa.

John S. Richardson, Jr., of Boston, Mass., Consul at Port Elizabeth, Cape Province, Union of South Africa, has been assigned as Consul at Johannesburg, Transvaal, Union of South Africa.

Benjamin Reath Riggs, of Philadelphia, Pa., American Consul at Port Said, Egypt, has been assigned as Consul at Iskenderun, Turkey, in order to open a new office there.

Herbert F. N. Schmitt, of Grand Rapids, Mich., Vice Consul at Quebec, Canada, has been assigned as Vice Consul at Bogotá, Colombia.

William W. Schott, of Leavenworth, Kans., formerly Second Secretary of Legation at Budapest, Hungary, has been designated Second Secretary and Consul at Tangier, Morocco, and will serve in dual capacity.

Charles W. Smith, of Burbank, Calif., Vice Consul at Vancouver, British Columbia, has been assigned as Vice Consul at Habana, Cuba.

Charles H. Taliaferro, of Harrisonburg, Va., Vice Consul at Yarmouth, Nova Scotia, Canada, has been appointed Vice Consul at Halifax, Nova Scotia, Canada.

Sam E. Woods, of Jackson, Miss., former Commercial Attaché at Berlin, Germany, has been assigned as Consul General at Zürich, Switzerland.

Treaty Information

AGRICULTURE

Conventions with Canada and Mexico Regarding Migratory Birds

On July 14, 1942 the President, under authority granted in the Migratory Bird Treaty Act, approved and proclaimed amendatory regulations submitted to him by the Secretary of the Interior permitting and governing the hunting, taking, capture, killing, possession, sale, purchase, shipment, transportation, carriage, exportation, and importation of migratory birds and parts, nests, and eggs thereof included in the terms of the Convention for the Protection of Migratory Birds between the United States and Great Britain, in respect of Canada, signed on August 16, 1916 (Treaty Series 628), and the Convention for the Protection of Migratory Birds and Game Mammals between the United States and Mexico, signed February 7, 1936 (Treaty Series 912). The regulations are printed in the *Federal Register* for July 17, 1942, page 5471. The regulations amend those approved by Proclamation 2345 of August 11, 1939, as last amended by Proclamation 2518 of October 16, 1941.

Protocol Extending the Duration of the International Agreement Regarding the Regulation of Production and Marketing of Sugar of May 6, 1937

The International Sugar Council by a resolution adopted on August 29, 1941 recommended

that steps be taken to insure the continuance after August 31, 1942 of the International Agreement Regarding the Regulation of Production and Marketing of Sugar, signed at London on May 6, 1937. Pursuant to this resolution a draft protocol was drawn up and transmitted by the British Government to the governments which were signatory to the agreement of May 6, 1937, with a request that they signify their willingness to sign the protocol. The British Ambassador at Washington by a note dated March 27, 1942 transmitted the draft protocol to this Government and under date of June 1, 1942, the American Ambassador at London was authorized to sign the protocol for the Government of the United States of America and to sign separately in respect of the Commonwealth of the Philippines. At the request of the Haitian Government the American Ambassador was subsequently authorized to sign the protocol in the name of and in respect of the Haitian Government.

By a telegram dated July 24, 1942 the Department was informed by the Ambassador that the protocol had been signed on July 22, 1942 by the following countries: United States of America, Australia, Belgium, Cuba, Czechoslovakia, Dominican Republic, Haiti, Netherlands, Peru, Commonwealth of the Philippines, Union of South Africa, Union of Soviet Socialist Republics, and United Kingdom.

The text of the draft protocol as furnished by the British Ambassador follows:

PROTOCOL TO ENFORCE AND TO PROLONG AFTER AUGUST 31, 1942, THE INTERNATIONAL AGREEMENT REGARDING THE REGULATION OF PRODUCTION AND MARKETING OF SUGAR, SIGNED IN LONDON ON MAY 6, 1937

"Whereas an Agreement regarding the Regulation of Production and Marketing of Sugar hereafter referred to as the Agreement) was signed in London on the 6th May, 1937; and

"Whereas Article 48 of the Agreement provides as follows:

"(a) The present Agreement shall come into force on the 1st September, 1937, if at that date it has been ratified by all the signatory Governments.

"(b) If by the above-mentioned date the instruments of ratification of all the signatories have not been deposited, the Governments which have ratified the Agreement may decide to put it into force among themselves"; and

"Whereas the ratifications of all the signatories were not deposited by the 1st September, 1937; and

"Whereas the Agreement has been ratified by Governments of the following countries:

Union of South Africa,
Commonwealth of Australia,
Brazil,
Belgium,
United Kingdom of Great Britain and Northern Ireland,
Cuba,
Czechoslovakia,
Dominican Republic,
Germany,
Haiti,
Hungary,
India,
Netherlands,
Peru,
Poland,
Portugal,
Union of Soviet Socialist Republics,
United States of America; and

"Whereas it seems desirable that the said Agreement should be put in force between those Governments which have ratified it, the Governments of the Union of South Africa, the Commonwealth of Australia, Brazil, Belgium, the United Kingdom of Great Britain and Northern Ireland, Cuba, &c.

"Now, therefore, the undersigned being duly authorised by their respective Governments have agreed as follows:

"ARTICLE 1

"The Agreement shall be regarded as having come into force in respect of the Governments signatories of the present Protocol, on the 1st September, 1937.

"ARTICLE 2

"After the 31st August, 1942, the Agreement shall continue in force among the said Governments for a period of two years from that date.

"ARTICLE 3

"The present Protocol shall bear this day's date and shall remain open for signature until the 31st August, 1942. It shall take effect in respect of each signatory Government on the date of signature.

"In witness whereof the undersigned, being duly authorised thereto by their respective Governments, have signed the present Protocol and have affixed thereto their seals.

"Done in London on the ——— day of ———, 1942, in a single copy which shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, and of which certified copies shall be furnished to the signatory Governments."

FRIENDSHIP

Treaty Between China and Iraq

The American Ambassador at Chungking reported by a despatch dated June 17, 1942, that the Treaty of Friendship between China and

Iraq signed on March 16, 1942, was ratified by the Executive Yüan of the Chinese Government on June 16, 1942.

A tentative translation of the text of the treaty which appeared in the press, *Al-Iraq*, of May 8, 1942, as furnished by the Legation at Baghdad, follows:

"HIS MAJESTY THE KING OF IRAQ AND HIS EXCELLENCY THE PRESIDENT OF THE NATIONAL GOVERNMENT OF THE CHINESE REPUBLIC

"Whereas they desire to establish and consolidate the ties of sincere friendship and good understanding existing between their two countries, have, for this purpose, agreed to conclude a Treaty of Friendship and appointed the following as their Plenipotentiaries:

"HIS MAJESTY THE KING OF IRAQ:

"Dr. Abdullah Damaluji, *Minister for Foreign Affairs*

"HIS EXCELLENCY THE PRESIDENT OF THE NATIONAL GOVERNMENT OF THE CHINESE REPUBLIC:

"Dr. Chang Peng-Chun, *Envoy Extraordinary and Minister Plenipotentiary of the Chinese Republic to Turkey;*

"Who after having communicated their full powers, found in good and due form, have agreed as follows:

"ARTICLE I

"There shall prevail between the Kingdom of Iraq and the Chinese Republic and between the nationals of both countries, permanent peace and sincere perpetual friendship.

"ARTICLE II

"Each of the High Contracting Parties agrees to establish diplomatic relations on the bases of the Public International Law, and they agree that the diplomatic representatives of any of the two in the territory of the other shall enjoy, on the basis of reciprocity, all the rights, privileges and immunities generally recognized by the Public International Law.

"ARTICLE III

"Each of the High Contracting Parties agree to conclude a special agreement between the two countries at a later date to organize consular and commercial relations between them and also to stipulate the terms of residence by the nationals of any of the two in the territory of the other party.

"ARTICLE IV

"This Treaty shall be ratified as soon as possible and shall be considered as effective fifteen days after the exchange of the instruments of ratification. The exchange of the instruments of ratification shall take place at Ankara.

"In faith whereof the respective Plenipotentiaries have signed the present Treaty and affixed thereto their seals.

"Done in duplicate this 27th day of Safar 1361 Hijra corresponding to the 16th day of the third month of the 31st year of the Chinese Republic or March 16, 1942."

COMMERCE

Agreement with the Soviet Union

The commercial agreement between the United States and the Union of Soviet Socialist Republics, effective on August 6, 1937 (Executive Agreement Series 105) and renewed during successive years, was continued in force until August 6, 1943 by an exchange of notes on July 31, 1942 between the Secretary of State and the Soviet Ambassador. The text of the identical notes, together with the text of the 1937 agreement, appears in this *Bulletin* under the heading "Commercial Policy".

Trade-Agreement Negotiations with Iran

An announcement regarding intention to negotiate a trade agreement with the Government of Iran, together with tables showing trade between the two countries during 1929-40, appears in this *Bulletin* under the heading "Commercial Policy".

Legislation

First Supplemental National Defense Appropriation Act, 1943: An Act Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes. Approved, July 25, 1942. [H. R. 7319.] Public Law 678, 77th Cong. 20 pp.

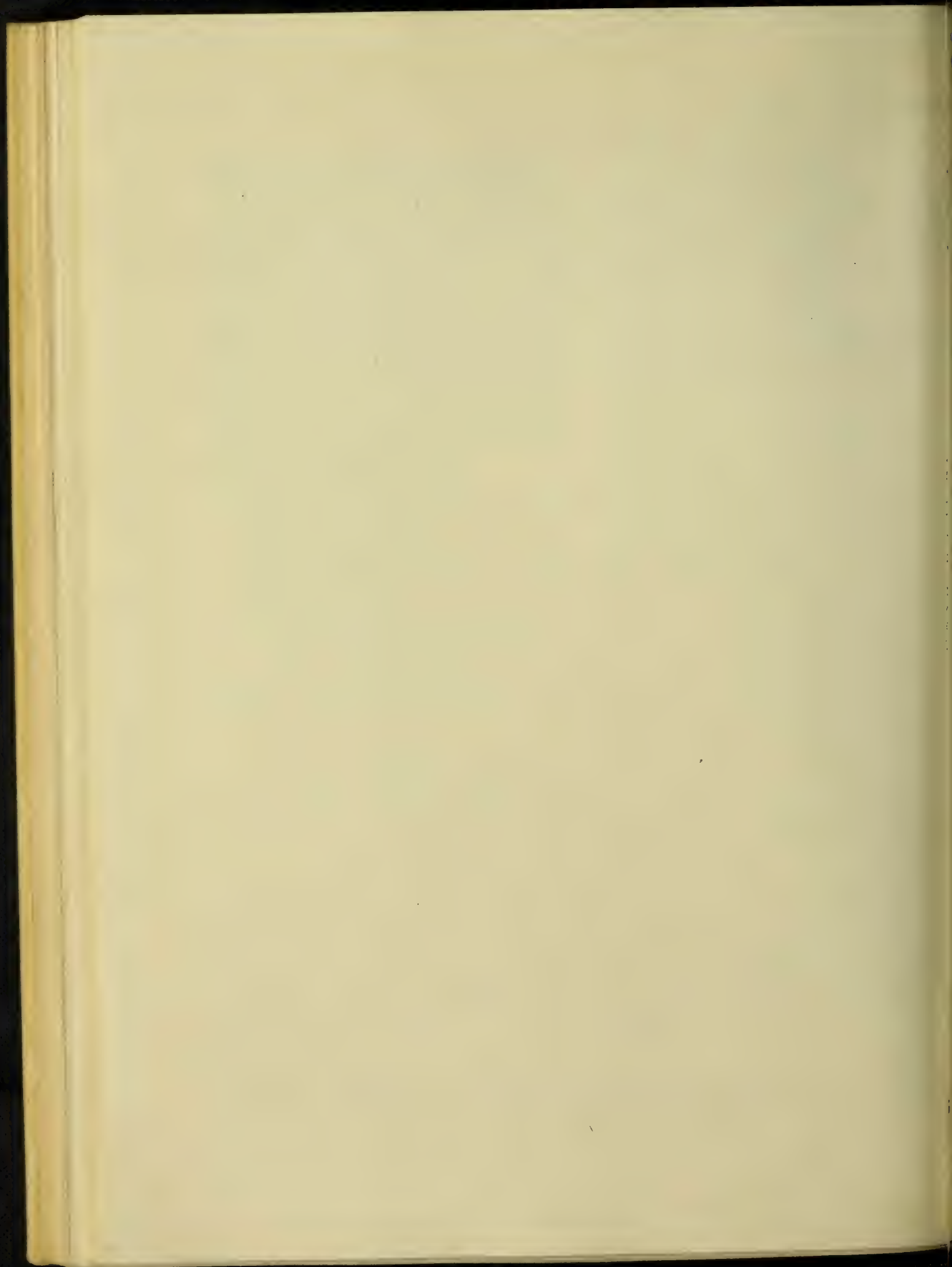
Alaska Highway: Hearings before a subcommittee of the Committee on Foreign Relations, U. S. Senate, 77th Cong., 2d sess., on S. Res. 253, a resolution pro-

viding for an inquiry into the location of the Alaska Highway on the so-called C or prairie route. June 1, 12, and 16, 1942. iv, 91 pp.

Publications

DEPARTMENT OF STATE

Publications of the Department of State (a list cumulative from October 1, 1929). July 1, 1942. Publication 1767. 31 pp. Free.



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THE DEPARTMENT OF STATE BULLETIN

AUGUST 8, 1942

VOL. VII, No. 163—PUBLICATION 1782

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The War

VISIT TO WASHINGTON OF THE QUEEN OF THE NETHERLANDS

[Released to the press by the White House August 5]

At a dinner at the White House on August 5 honoring Queen Wilhelmina of the Netherlands, the President made the following toast to the Queen:

"I think that all of us at this table tonight will recognize the symbolism of the visit of Her Majesty to this country of ours. We know the part played by the Dutch people in the exploration and colonization that began in the earliest days of American history.

And we remember that very soon after we engaged in war to gain our independence it was a Dutch officer on a Dutch island in the West Indies who fired one of the first salutes to the flag of the United States carried on an American warship under the command of Captain Isaiah Robinson.

The friendship between our great nations has never ceased. It has been the friendship of peoples who lived for the same kind of human rights and the same kind of national independence.

May I add a personal note? The people of this great democracy everywhere hold the head of the Netherlands Nation in respect not alone for her great leadership and high achievements, but they have in addition a deep and affectionate regard for her personality as the mother of her people.

My wife and I will always remember the privilege we have had and are having in a personal friendship with her and her daughter and her grandchildren. That friendship will always endure.

All of us here tonight join in a toast to the Queen."

Responding to the President's toast, the Queen said:

"I am greatly touched by the friendly welcome you and Mrs. Roosevelt have extended to me at the White House.

"This visit to this capital city is to me the culminating point of my stay in the United States.

"Great thoughts have been thought here, and great decisions taken, and the portraits of your predecessors which adorn these walls are a most expressive epitome of America's stirring history.

"I know that when you make me feel a welcome guest your thoughts are, like mine, with my country, where at this time, in East and West, oppression breeds resistance and cruelty increases determination to hold out.

"These hard times will pass, and when at last victory will be ours my compatriots, like myself, will know that this will be largely thanks to American spiritual and material forces alongside those of the other United Nations.

"I therefore raise my glass to drink the toast of your health, Mr. President, as the head of this great country, and of the success of its armed forces."

[Released to the press by the White House August 6]

At the Washington Navy Yard on August 6, on the occasion of the transfer of a new warship to the Netherlands Government under the Lend-Lease Act, the President spoke as follows:

YOUR MAJESTY:

From the earliest days of history, the people of the Netherlands—your people—have been willing to fight for their freedom and independence. They have won out in the face of great odds.

Once more they are fighting for that independence. Once more they will win and maintain it.

We, too, are fighting for our freedom, and it is natural and right that the Netherlands and the United States have joined hands in the common struggle.

The gallant exploits of your countrymen have won the admiration of all the other peoples of the world—first in the Netherlands itself and later in the Netherlands Indies where, in the face of overwhelming numbers, your sons and our sons went down fighting to the bitter end on land and sea and in the air. Their memory inspires us to redouble our efforts for the cause for which they gave their lives.

The Netherlands Navy is today adding fresh laurels to those already won in battle from the North Sea to the Java Straits. We Americans can know no better cause than to assist your gallant Navy.

It is, therefore, as a tangible expression of our admiration for all that the Netherlands Navy has done and is doing that I have the great pleasure of turning over to you, under the provisions of the Lend-Lease Act, this ship.

Built by American workers in American yards, she will hereafter fly the brave ensign of the Netherlands.

And she will bear the name of one who has come to stand in the eyes of the world as a symbol of Netherlands' courage and Netherlands' determination.

For it is as the *Queen Wilhelmina* that she will embark upon her new career.

I ask Your Majesty to receive this ship as a symbol of the friendship and admiration of the people of the United States.

The response of Her Majesty Wilhelmina, Queen of the Netherlands, follows:

MR. PRESIDENT:

I am very happy that the transfer of this vessel under the provisions of the lend-lease agreement takes place during my presence in Washington. This enables me to thank you personally for your gracious initiative and for your continued personal interest.

I see in this ceremony fresh evidence of the excellent spirit of friendship which ever since the days of Paul Jones has existed between our two Navies.

This admirable vessel, replete with the most modern technical devices, is a valuable addition to our naval forces.

It will operate in close collaboration with the United States Navy against our common enemies. The officers and crew will do all they can to live up to the friendly thought which we owe this new unit of our Navy.

I have gladly accepted your suggestion to give it my name.

May your love of the sea and of seamanship pervade this vessel and inspire those on board.

With this wish I now commission the *Queen Wilhelmina*.

RELIEF SHIPS TO GREECE

[Released to the press August 7]

On the initiative of the Swedish Red Cross negotiations were undertaken some months ago through the Swedish Government regarding relief for the starving population of Greece. The Swedish Government having expressed willingness that Swedish vessels lying in Swedish ports be employed for this purpose, the United States, British, and Canadian Governments immediately declared themselves ready to authorize monthly shipments of 15,000 tons of wheat or flour from North America to Greece, subject to appropriate conditions governing the distribution of these imports and Greek native produce in the interests of the Greek people and on the understanding that a neutral commission would receive the necessary control and reporting facilities from

occupying powers. Following the negotiations conducted by the Swedish Government, the German and Italian Governments agreed to this proposal. The belligerent powers have accordingly granted safe conducts for the voyages of the Swedish vessels which will be used. The first three, the *Formosa*, the *Eros*, and the *Camelia*, have already loaded and are scheduled to leave Montreal on August 7 for Greece. A Swedish-Swiss commission has been set up to handle the actual distribution of the supplies, under the general supervision of the existing organization of the International Red Cross Committee, in Greece.

The Greek Government, the American and Canadian Red Cross Societies, and the Greek War Relief Association are actively supporting and cooperating in the operation of this plan. Reports reaching the Department of State from Greece have portrayed conditions of suffering from inanition and death from starvation appalling almost beyond belief.

Information has also been received through American officials recently returning from Europe confirming that the small quantities of supplies which have been sent to Greece during the past year under the United Nations' auspices and with the cooperation of the Turkish Government have been effectively distributed through the agency of the International Red Cross Committee and consumed by the Greek people only. The reports of these officials indicate, however, that although these supplies have unquestionably saved many persons from death they have been inadequate to prevent further deterioration of the general food-supply situation.

VISIT OF THE KING OF YUGOSLAVIA TO THE UNITED STATES

(Released to the press August 4)

An exchange of telegrams between the President of the United States and His Majesty King Peter II of Yugoslavia follows.

"JULY 29, 1942.

"At the moment of my departure from the United States, I wish to thank you, Mr. President, for the warm welcome which you and the American people have extended to me during my visit to this great country.

"I cannot but feel that the many tokens of warmth and hospitality which I gratefully accepted during my stay were intended not for me alone but for my people who have always had the greatest sympathy and admiration for their American brothers.

"When a few weeks ago I crossed the ocean to come to the United States I considered myself a messenger of my martyred people who are now living through their most trying days resisting the invaders and straining all their forces toward final victory.

"Over a year ago the Yugoslav people gathered in the streets of Belgrade and asked me to be with them to protect their liberty. At that time we found inspiration in the hope that the United States would stand by all those who preferred to fight rather than to submit to the infamy of slavery.

"Today American soldiers have become our comrades-in-arms on every battlefield—on land, in the air and on the seas—wherever the battle is waged. From their homes darkened by mourning, from their refuges in the mountains and in the forests, the people of Europe admired the achievements of your soldiers, seamen and pilots, and fervently pray for their continued success.

"I was privileged to see something of the American war effort in your training camps, in your plants and factories. I saw the shining arms and planes ready to be sent to battle, so formidable and so perfect that any fighting man must be proud to handle them. I have observed the spirit of American men and women, I have seen the resolution and determination written on their faces, and I am convinced that nothing can ever stop the United States in its onward march to victory. A democracy which fights entirely with the clean weapons of democracy must needs win the war and the peace that will follow.

"The Yugoslavs, one of the United Nations, feel that they shall be linked to the United States as much in this present war as in the future peace. My people and I cherish our friendship with the United States and are deeply grateful for its help and support in this, the most momentous period of their history.

"I wish to thank you also, Mr. President, for the warm personal kindness you have shown me and I wish you and your family, and the entire American nation all strength and happiness today and ever.

PETER"

"THE WHITE HOUSE, *July 31, 1942.*

"Your Majesty's visit was a personal pleasure which I shall long remember. It gave also to the American people an opportunity to do honor to the valiant Yugoslav People in their noble and unceasing fight for the liberation of their country.

"I noted with pleasure the energy and thoroughness with which you entered into the daily life of America at war, seeking out the men at work and studying the conversion of our great industries to the sole purpose of providing the armaments with which the war shall be won. I am glad that you carried with you the conviction of America's determination to press on to victory with everything we have.

FRANKLIN D ROOSEVELT"

PROCLAIMED LIST: SUPPLEMENT 5 TO REVISION II

[Released to the press August 3]

The Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs, on August 3 issued Supplement 5 to Revision II of the Proclaimed List of Certain Blocked Nationals, promulgated May 12, 1942.¹

¹ 7 Federal Register 5970.

Part I of this supplement contains 167 additional listings in the other American republics and 31 deletions. Part II contains 99 additional listings outside the American republics and 9 deletions.

International Conferences, Commissions, Etc.

INTERNATIONAL WHEAT COUNCIL

[Released to the press August 6]

The International Wheat Council, which met for the first time in the offices of the United States Department of Agriculture on Monday, August 3, concluded its sessions on Wednesday, August 5. Following the announcement on July 2 of the approval of the Memorandum of Agreement regarding international trade in wheat between the Government of Argentina, Australia, Canada, the United Kingdom, and the United States,² the five Governments named as their delegates to the Council the following officials:

Argentina:

Señor A. M. Viacava, Commercial Counselor, Argentine Embassy (London)
Señor Miguel E. Quirno-Lavalle, Commercial Counselor, Argentine Embassy (Washington)

Australia:

Mr. E. McCarthy, Assistant Secretary, Department of Commerce (Canberra)
Mr. F. L. McDougall, Economic Adviser to the Australian Government (London)

Canada:

Mr. Lester B. Pearson, Minister Counselor, Canadian Legation (Washington)
Mr. A. M. Shaw, Director of Marketing Service, Department of Agriculture (Ottawa)
Mr. C. F. Wilson, Chief, Agricultural Branch, Dominion Bureau of Statistics (Ottawa)
Mr. J. J. Deutsch, Special Wartime Assistant, the Department of External Affairs (Ottawa)

United Kingdom:

Mr. Noel Hall, British Minister to the United States (Washington)

² Bulletin of August 1, 1942, p. 670.

Mr. E. Twentyman, British Food Mission to the United States (Washington)

United States:

Mr. Paul Appleby, Under Secretary of Agriculture (Washington)

Mr. Leslie A. Wheeler, Director, Office of Foreign Agricultural Relations, Department of Agriculture (Washington)

Mr. N. E. Dodd, Director, Western Division, Agricultural Adjustment Administration, Department of Agriculture (Washington)

Mr. R. M. Carr, Assistant Chief, Division of Commercial Policy and Agreements, Department of State (Washington)

The first meeting was largely devoted to questions of organization. Mr. Paul Appleby was elected chairman of the Council. The Council established an Executive Committee, under the chairmanship of Mr. Leslie A. Wheeler, consisting of one delegate from each of the five Governments. Mr. Andrew Cairns was appointed secretary of the Council.

The Council discussed the positive measures contemplated to control production in 1943 with the object of minimizing the accumulation of excessive stocks and instructed the Secretariat to prepare, under the direction of the Executive Committee, a comprehensive report on the measures being employed in each country to control production. The Council took note of recent increases in yields per acre in several producing areas, and the Executive Committee was asked to consider the influences bearing on any trends in this connection.

The next meeting of the Council will be held in January 1943.

American Republics

MESSAGE FROM PRESIDENT ROOSEVELT TO THE PRESIDENT OF COLOMBIA

Released to the press August 7]

The President has addressed the following telegram to His Excellency Dr. Alfonso Lopez on the occasion of his assuming the Presidency of Colombia:

"THE WHITE HOUSE, August 7, 1942.

"I take pleasure in extending to Your Excellency my sincere and whole-hearted congratulations as you assume the Presidency of Colombia.

"The unswerving devotion of the people of Colombia to the democratic processes is one of the proudest of our common heritages. I look forward with profound gratification to another period of fruitful collaboration with you as the chosen representative of the people of your great country. Now, more than ever, in the critical days through which we are passing, must there be justified the faith of our peoples in the ability of their governments to face courageously a multitude of exacting problems and to defeat wholly and conclusively the enemies of our Christian civilization.

"I welcomed the opportunity, afforded me by your recent visit, to confirm our personal friendship and to reaffirm our devotion to the ideals by which our countries are ever more closely bound.

"Please accept, dear Mr. President, my fervent wishes for a successful and happy administration and for the welfare of the people of the Republic of Colombia.

FRANKLIN D ROOSEVELT"

ARRANGEMENT FOR MIGRATION TO THE UNITED STATES OF MEXICAN FARM LABOR

[Released to the press August 6]

The Department of State announced on August 6 that an arrangement had been made between the Government of the United States and the Government of Mexico to make possible the temporary migration of Mexican agricultural workers to the United States to meet the increasing demand for farm labor caused by the war emergency. The arrangement, which demonstrates the effective cooperation between the two Governments in the war effort, provides guaranties as to wage rates, living conditions, and repatriation for the Mexican workers, while specifying that they are not to be employed to replace other workers

or for the purpose of reducing rates of pay previously established.

At the request of the Department of Agriculture, the War Manpower Commission, and other appropriate agencies of this Government, and after the United States Employment Service had certified to the existence of certain shortages of agricultural workers in the Southwest, the Department of State recently proposed to the Mexican Government a plan for this migration. It was pointed out by the Department of Agriculture and other agencies that the enrolment of men in the armed services, the movement of farm workers into industry, and the Government's program to increase agricultural production to meet war-time needs were causing a shortage of agricultural labor which could not be met by the recruiting of workers in the United States.

The arrangement made with the Mexican Government is to be administered by the Farm Security Administration of the Department of Agriculture in cooperation with other interested agencies, and it states that each worker is to be given a written contract, upon the expiration of which he is to return to Mexico. The arrangement also provides that as temporary residents these workers will be exempted from compulsory military service in the armed forces of the United States.

Further details regarding the arrangement are being announced by the War Manpower Commission and the Department of Agriculture.

DEATH OF THE FOREIGN MINISTER OF EL SALVADOR

[Released to the press August 3]

The Acting Secretary of State, Sumner Welles, has made the following statement:

"I have learned with deep regret of the death of Dr. Miguel Angel Araujo, the Salvadoran Minister of Foreign Affairs. Respected universally throughout the New World for his talents and statesmanship, Dr. Araujo died a few

days before his eightieth birthday, after serving his country for over ten years as Foreign Minister. In his policies he showed himself a staunch foe of totalitarianism and a true friend of Pan American ideals. The Government of the United States shares the grief of President Martínez, the Salvadoran people, and Dr. Araujo's family, at his passing."

DEATH OF DR. GIL BORGES OF VENEZUELA

[Released to the press August 4]

The Acting Secretary of State has sent the following telegram to His Excellency Dr. Carracciolo Parra-Perez, Minister of Foreign Affairs of Venezuela, on the occasion of the death of Dr. Esteban Gil Borges:

"AUGUST 4, 1942.

"I have learned with the very deepest regret of the death of Doctor Esteban Gil Borges. I share with Your Excellency and with Dr. Gil Borges' many friends throughout Venezuela and the United States a keen sense of personal loss.

"During the years Dr. Gil Borges was in Washington he endeared himself to all those who had the good fortune to be associated with him. His untiring devotion to the strengthening of the friendship between Venezuela and the United States and to the great cause of inter-American relations, and his brilliant practical demonstrations of that devotion during his two periods as Foreign Minister of your great country have earned him a lasting place in the grateful memory of the people of the United States.

SUMNER WELLES"

RUBBER AGREEMENT WITH HONDURAS

[Released to the press August 3]

The signing of a rubber agreement with the Republic of Honduras was announced on August 3 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreement the Rubber Reserve Company will, until December 31, 1946, purchase all rubber produced in Honduras which is not required for essential domestic needs there.

Europe

BIRTHDAY OF THE KING OF NORWAY

Released to the press August 3]

The President has sent the following telegram to His Majesty Haakon VII, King of Norway, on the occasion of His Majesty's seventieth birthday:

"THE WHITE HOUSE, August 3, 1942.

I am particularly happy to extend my heartfelt felicitations upon this the seventieth anniversary of Your Majesty's birth. The inflexible determination shown by the Norwegian people in their fight to roll back the black shadows of Nazism owes no little of its strength to the example set by Your Majesty's own heroic courage.

May God grant to the Norwegian people a long continuance of your wise leadership and glorious outcome of their travail.

FRANKLIN D ROOSEVELT"

The Department

ORGANIZATION OF THE OFFICE OF THE CHIEF CLERK AND ADMINISTRATIVE ASSISTANT

The Secretary of State, on August 6, 1942, issued the following Departmental order (no. 1000):

There is hereby created in the Department the Office of the Chief Clerk and Ad-

ministrative Assistant which shall exercise supervision in all matters relating to the administration of the Department within the scope of the functions of this Office which shall embrace:

"The administration of the appropriation 'Contingent Expenses, Department of State', including the preparation and justification of budget estimates therefor and the responsibility for the control of expenditures thereunder; the allotment of office space, the custody of the property of the Department, and the maintenance of a current inventory; the authentication of certificates under the seal of the Department of State, for and in the name of the Secretary of State or the Acting Secretary of State, and the operation of the coordinating service for translating documents for the Federal Government; the assembling for the Department of State of appropriate material for exhibition purposes at expositions, national and international, its preparation and installation, the care and maintenance of exhibits, and responsibility for all expenditures connected therewith; supervision of the telephone switchboard and the telephone service of the Department; the initiation and enforcement of such general regulations as may be required for the proper business management of the Department; the signing of such papers as fall within the scope of his Office; the direction, as head of the Purchasing and Inventory, Duplicating, Supply, Photographic, Telephone and Mail Sections of his Office, and such additional duties as may be delegated to him by the Secretary of State and the Assistant Secretary of State and Budget Officer.

"The Chief Clerk and Administrative Assistant is the Department's Liaison Officer with other Executive Departments and Agencies of the Government in all matters relating to the functions of his Office.

"The Chief Clerk and Administrative Assistant is hereby authorized to sign contracts, upon the written authorization of the Assistant

Secretary of State and Budget Officer or, in his absence, another Assistant Secretary of State, for contingent expenses under the appropriation 'Contingent Expenses, Department of State', under appropriations for passport agencies, international commissions, conferences, congresses, conventions, meetings and expositions, and under miscellaneous appropriations. He shall certify vouchers covering expenditures coming under the appropriation 'Contingent Expenses, Department of State' and covering such other miscellaneous obligations as he may, under written authorization from the Assistant Secretary of State and Budget Officer, or in his absence, another Assistant Secretary of State, be directed to incur. He may, in special cases, waive the requirement of advance payment for unofficial photostat work in accordance with the provisions of Departmental Order 529. He shall certify to the authorization of other officers to approve vouchers covering expenditures from miscellaneous appropriations. He shall consolidate in his Office and shall be responsible for the supervision of the purchasing functions of the Department; he shall establish in his Office a centralized mail reception and distribution center and shall supervise the handling of diplomatic pouches in collaboration with the Division of Foreign Service Administration, the receipt and distribution of incoming mail and the dispatch of all outgoing correspondence by mail.

"The Chief Clerk and Administrative Assistant is authorized and directed to certify, without seal, for and in the name of the Secretary of State or the Acting Secretary of State, a copy of each treaty or convention proclaimed by the President on or after January 23, 1934, and likewise a copy of every other international agreement entered into by the United States with a foreign country on or after January 23, 1934, which when so certified will be forwarded by the Department to the American Minister at Bern for transmission by him to

the Secretary General of the League of Nations for registration by the Secretariat of the League and publication in the League of Nations Treaty Series.

"The Chief Clerk and Administrative Assistant is authorized to take appropriate administrative action on notifications of undue delay in the handling of correspondence, in accordance with the provisions of Departmental Order 724.

"He shall also exercise the functions previously delegated to the Director of Personnel under the following Departmental Orders: Departmental Order 800, relating to the reporting of mail matter sent free of postage; Departmental Order 824, relating to the disposition of records and files; and Departmental Order 989, relating to the preparation, production, and distribution of publications and informational matter.

"Mr. Millard L. Kenestruck is hereby designated Chief Clerk and Administrative Assistant of the Department.

"The symbol of the Office of the Chief Clerk and Administrative Assistant shall be C. The symbol of the Diplomatic Pouch and Mail Section shall continue to be MA.

"The Director of Personnel is authorized to obtain the essential personnel assistance for the Office of the Chief Clerk and Administrative Assistant within the limits of appropriated funds.

"The provisions of this Order shall be effective immediately and shall supersede the provisions of any existing Order in conflict therewith."

APPOINTMENT OF OFFICERS

Mr. Lloyd D. Yates, a Foreign Service officer of class VII, was designated an Acting Assistant Chief of the Division of Foreign Activities Correlation, effective August 6, 1942 (Departmental Order 1079).

Treaty Information

POSTAL

Universal Postal Convention, 1939

France—French colonies

The American Chargé at Vichy transmitted to the Secretary of State with a despatch dated June 10, 1942 a copy of decree no. 1612 dated June 1, 1942, concerning the promulgation by the Government of France of the Universal Postal Convention and annexed arrangements signed at Buenos Aires on May 23, 1939. The decree states that in virtue of the deposit with the Government of Argentina on June 26, 1941 of the instruments of ratification of the acts signed on May 23, 1939, including the Universal Postal Convention, the Arrangement Concerning Letters and Parcels of Declared Value, the Arrangement Concerning Parcel Post, the Arrangement Concerning Money Orders, the Arrangement Concerning Postal Transfers, the Arrangement Concerning Postal Collections, and the Arrangement Concerning Subscriptions to Periodicals, these acts shall be valid for France, Algiers, Tunisia, Morocco, and all French colonies, including the African territories under French mandate of Togoland and Cameroons.

HEALTH

International Agreement Relating to Statistics Of Causes of Death

Egypt

By a note dated August 1, 1942 the British Chargé at Washington informed the Secretary of State that the Egyptian Government has noted the British Government, in accordance with paragraph 2 of the Protocol of Signature of the International Agreement Relating to Statistics of Causes of Death, signed at London June 19, 1934 (Executive Agreement Series

80), of the cancellation of the application of the agreement to the town of Burdein, owing to the suppression of the health inspectorate of that town.

COMMERCE

Agreement with the Soviet Union

[Released to the press August 3]

On August 1, 1942 the President proclaimed the agreement between the United States of America and the Union of Soviet Socialist Republics effected by an exchange of identic notes, signed at Washington on July 31, 1942,¹ by which the commercial agreement of August 4, 1937 between the two Governments is continued in force until August 6, 1943 and thereafter, unless superseded by a more comprehensive commercial agreement, subject to termination on six months' written notice by either Government.

Memorandum of Agreement Regarding International Trade in Wheat

An announcement concerning the establishment of an International Wheat Council and the appointment of the United States delegates thereto appeared in the *Bulletin* of August 1, 1942, page 670.

An announcement concerning the first meeting of the International Wheat Council appears in this *Bulletin* under the heading "Commercial Policy".

STRATEGIC MATERIALS

Rubber Agreement with Honduras

An announcement concerning the signing of a rubber agreement with the Government of Honduras appears in this *Bulletin* under the heading "American Republics".

¹ *Bulletin* of August 1, 1942, p. 662.

AGRICULTURE

Farm-Labor-Migration Arrangement
With Mexico

An announcement concerning an arrangement between the Government of the United States and the Government of Mexico for the temporary migration of Mexican agricultural workers to the United States appears in this *Bulletin* under the heading "American Republics".

Publications

DEPARTMENT OF STATE

Exchange of Official Publications: Agreement Between the United States of America and Liberia—Effectuated by exchange of notes signed January 15, 1942; effective January 15, 1942. Executive Agreement Series 239. Publication 1758. 6 pp. 5¢.

Reciprocal Trade: Agreement Between the United States of America and Haiti Construing Certain Provisions of the Trade Agreement of March 28, 1935 and Modifying the Agreement Effectuated by Exchange of Notes Signed February 16 and 19, 1942—Effectuated by exchange of notes signed April 25, 1942. Executive Agreement Series 252. Publication 1762. 4 pp. 5¢.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and China—Signed at Washington June 2, 1942; effective June 2, 1942. Executive Agreement Series 251. Publication 1766. 3 pp. 5¢.

Application of Selective Training and Service Act, 1940, as Amended, to Canadians in the United States and Reciprocal Treatment of American Citizens in Canada: Agreement Between the United States of America and Canada—Effectuated by exchange of notes signed March 30 and April 6 and 8, 1942. Executive Agreement Series 249. Publication 1769. 6 pp. 5¢.

The War and Human Freedom: Address by Cordell Hull, Secretary of State, over the National Radio Networks, July 23, 1942. Publication 1773. 18 pp. 5¢.

The Proclaimed List of Certain Blocked Nations: Supplement 5, July 31, 1942, to Revision II of May 1942. Publication 1774. 16 pp.

Legislation

Claims of American Nationals Against Mexico: Hearings before a subcommittee of the Committee on Foreign Relations, U.S. Senate, 77th Cong., 2d sess. on S. 2528, a bill to provide for the settlement of claims of the Government of the United States on behalf of American nationals against the Government of Mexico comprehended within the terms of agreements concluded by the United States and Mexico June 30, July 1, 2, 6, 10, and 14, 1942. iv, 230 pp. 5¢.

Conservation and Utilization of the Salmon Fisheries of the Pacific. S. Rept. 1570, 77th Cong., on S. 1570. 5 pp.

An Act To enable the United States Commission on the Celebration of the Two-hundredth Anniversary of the Birth of Thomas Jefferson to carry out and give effect to certain approved plans. Approved June 30, 1942. [S. 2330.] Public Law 688, 77th Cong. 2 pp.

U. S. GOVERNMENT PRINTING OFFICE: 1942

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THE DEPARTMENT OF STATE BULLETIN

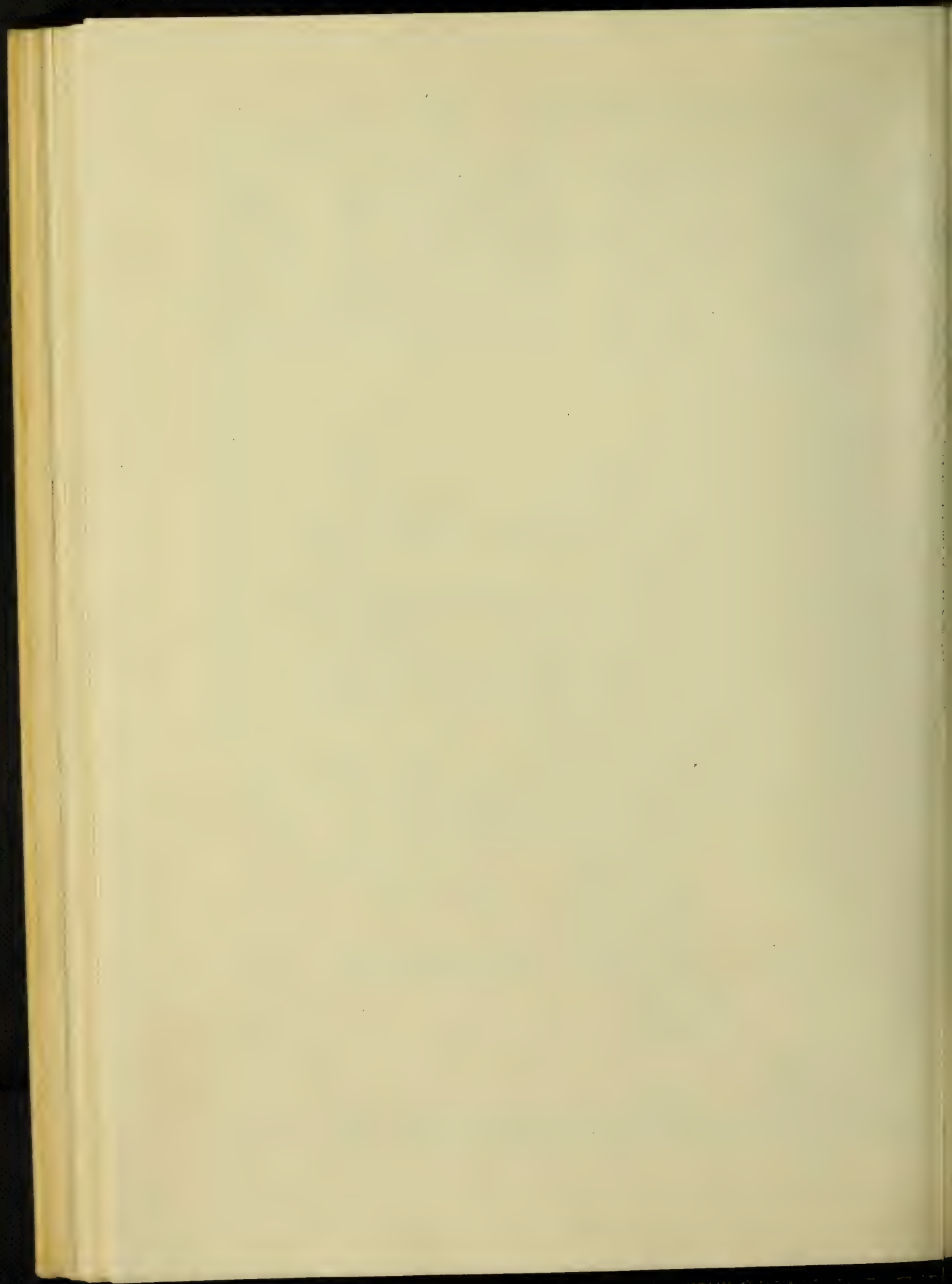
AUGUST 15, 1942

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The War

FIRST ANNIVERSARY OF THE SIGNING OF THE ATLANTIC CHARTER

Released to the press by the White House August 14]

The President sent the following message to Prime Minister Churchill, of Great Britain, on the occasion of the first anniversary of the signing of the Atlantic Charter:¹

"A year ago today you and I, as representatives of two free nations, set down and subscribed to a declaration of principles common to our peoples. We based, and continue to base, our hopes for a better future for the world on the realization of these principles. This declaration is known as the Atlantic Charter.

A year ago today the nations resisting a common, barbaric foe were units or small groups, fighting for their existence.

Now, these nations and groups of nations from all the continents of the earth have united. They have formed a great union of humanity, dedicated to the realization of that common program of purposes and principles set forth in the Atlantic Charter, through world wide victory over their common enemies. Their faith in life, liberty, independence and religious free-

dom, and in the preservation of human rights and justice in their own lands as well as in other lands, has been given form and substance and power through a great gathering of peoples now known as the United Nations.

"Freedom and independence are today in jeopardy—the world over. If the forces of conquest are not successfully resisted and defeated there will be no freedom and no independence and no opportunity for freedom for any nation.

"It is, therefore, to the single and supreme objective of defeating the Axis forces of aggression that the United Nations have pledged all their resources and efforts.

"When victory comes, we shall stand shoulder to shoulder in seeking to nourish the great ideals for which we fight. It is a worthwhile battle. It will be so recognized through all the ages, even amid the unfortunate peoples who follow false gods today.

"We reaffirm our principles. They will bring us to a happier world."

ORDERS TO AMERICAN MILITARY FORCES IN INDIA

Released to the press August 12]

The following statement of this Government's policy has been made a part of the orders to the American military forces in India:

Bulletin of August 16, 1941, p. 125.

"1. The sole purpose of the American forces in India is to prosecute the war of the United Nations against the Axis powers. In the prosecution of the war in that area the primary aim of the Government of the United States is to aid China.

"2. American forces are not to indulge to the slightest degree in activities of any other nature unless India should be attacked by the Axis powers, in which event American troops would aid in defending India.

"3. American forces in India will exercise scrupulous care to avoid the slightest participation in India's internal political problems, or even the appearance of so doing.

"4. In event of internal disturbances American forces will resort to defensive measures only should their own personal safety or that of other American citizens be endangered or for the necessary protection of American military supplies and equipment."

PROCLAIMED LIST: REVISION III

[Released to the press August 14]

The Secretary of State, acting in conjunction with the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Acting Coordinator of Inter-American Affairs, pursuant to the proclamation by the President of July 17, 1941 providing for "The Proclaimed List of Certain Blocked Nationals", on August 14 issued Revision III¹ of the Pro-

claimed List. Revision III supersedes and consolidates Revision II, dated May 12, 1942, and the five supplements thereto.

No new additions to or deletions from the Proclaimed List are made in this revision. Certain minor amendments are made.

Revision III follows the listing arrangement used in Revision II. The list is divided into two parts: Part I relates to listings in the American republics and part II to listings in countries other than the American republics. Revision III contains a total of 9,712 listings of which 6,965 are in part I and 2,747 in part II.

RUBBER AGREEMENTS WITH TRINIDAD AND BRITISH GUIANA

[Released to the press August 12]

The signing of rubber agreements with Trinidad and British Guiana was announced on August 12 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreements the Rubber Reserve Company will purchase, until December 31, 1946, all rubber produced in Trinidad and British Guiana which is not required for essential domestic needs there.

American Republics

RELATIONS WITH THE REPUBLIC OF PANAMA

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TO THE CONGRESS

[Released to the press by the White House August 13]

TO THE CONGRESS OF THE UNITED STATES:

The Treaty of Friendship and Cooperation between the United States of America and the Republic of Panama, effective on July 27, 1939,² was a definitive step in the clarification of this

Government's relations with the Republic of Panama. The Panamanian Government has demonstrated its willingness to assume promptly and wholeheartedly the burdens imposed upon it as partner in the defense of the Panama Canal, a responsibility which was accepted by that Government under the provisions of the new treaty.

¹ Printed in 7 *Federal Register* 6282.

² Treaty Series 945.

The attitude of the Panamanian Government in the present international crisis has been thoroughly cooperative. On March 5, 1941 the President of the Republic of Panama issued a manifesto making available for use by the United States certain defense sites in the territory of that Republic. Pending the conclusions of final arrangements regarding the terms in which these sites are to be used, the Panamanian Government has permitted our armed forces to occupy and develop them. Immediately following the attack by the Japanese on Pearl Harbor Panama declared war on the three major Axis powers, and since has taken numerous protective steps to cooperate with the other American republics in the interest and security of the Panama Canal and the defense of this hemisphere.

This attitude is tangible evidence that the relations between the two countries are now firmly based upon a recognition of mutual interest and a disposition to assume common responsibilities.

In my opinion, the time has come for this Government to make certain concessions which have been desired by the Republic of Panama for a period of years, and in this manner to correct certain factors in the relations between the two countries which do not make for confidence and friendship between our two countries. Accordingly, I deem it advisable that this Government convey to Panama the water and sewerage systems in the cities of Panama and Colon; that it relinquish its extensive real estate holdings in the cities of Colon and Panama, so far as these holdings are not essential to the operation and protection of the Canal; and that it liquidate the credit of two and a half million dollars made available to the Republic of Panama by the Export-Import Bank for the construction of Panama's share of the Chorrera-Hato Highway, a road essential to our defense requirements and constructed in accordance with standards made essential by these requirements.

It will be recalled that the interest of the United States in the sanitation of the Canal

Zone, together with that of the cities of Panama and Colon, has been of outstanding importance. Concurrent with the construction of the Panama Canal, through agreement with Panama, the United States installed water and sewerage systems in the cities of Panama and Colon, and throughout subsequent years has been responsible for the operation and maintenance of these systems and for the sanitation of the two cities.

I now propose to the Congress, that since in accordance with Article VII of the Canal Convention of 1903,³ the "system of sewers and waterworks shall revert to and become the properties of the cities of Panama and Colon" in the year 1957, it authorize the Government to convey all its right, title and interest in the Panama and Colon water and sewerage systems to the Republic of Panama; *provided, however*, that the Republic of Panama shall pay quarterly a rate of B/0.09 per one thousand gallons or a reasonable rate to be agreed upon by both Governments to the appropriate Canal Zone authorities for water supplied at the Canal Zone boundary; and *provided*, also, that the turning over to the Government of the Republic of Panama of the physical properties of the water and sewerage systems and the administration thereof, including the collection of the water rates, does not in any way modify the existing arrangement for the responsibility for the public health services of the cities of Panama and Colon as specified in the second paragraph of Article VII of the Convention between the United States of America and Panama, signed at Washington, November 18, 1903, which reads as follows:

"The Republic of Panama agrees that the cities of Panama and Colon shall comply in perpetuity with the sanitary ordinances whether of a preventive or curative character prescribed by the United States and in case the Government of Panama is unable or fails in its duty to enforce this compliance by the cities of Panama and Colon with the sanitary ordinances of the

³ Treaty Series 431.

United States the Republic of Panama grants to the United States the right and authority to enforce the same."

This Government, in continuing to maintain the health services in the cities of Panama and Colon, will ask the Government of the Republic of Panama to cooperate fully with the appropriate Canal Zone officials in carrying out the proposal regarding increased participation of Panamanian personnel in sanitation activities in those cities as provided for in the exchange of notes¹ accompanying the General Treaty of March 2, 1936.

You will recall that the Panama Railroad Company, a corporation whose stock is now wholly owned by the United States, acquired the Island of Manzanillo (the present site of the city of Colon) through concessionary contracts with the Republic of New Granada, signed in 1850, 1856, and 1867. The railroad's interest in this property was acquired for ninety-nine years from August 1867, or until August 1966. The reversionary rights to these lands remained originally with the Republic of Panama, which, however, in the Canal Convention concluded between the United States and Panama in 1903, conveyed these rights to the United States. Thus until August 1966, the Panama Railroad Company enjoys the usufruct of the lands on which the city of Colon stands, and thereafter the United States will acquire title thereto, in perpetuity. As an element of such ownership the railroad company has, of course, over a period of years rented the property in Colon to Panamanian citizens—merchants, business men, and residents, and is, in fact, the principal landlord in Colon. For obvious reasons this is unsatisfactory.

I think, therefore, that this Government should promptly withdraw from the real estate business in the Republic of Panama and convey to that country its rights, title and interest, as well as its reversionary rights, to all the Panama Railroad Company land in the cities of Panama and Colon which is not needed for the

¹ Published as a corporate part of the treaty, which was signed on March 2, 1936 and proclaimed on July 27, 1939 (Treaty Series 945).

operation of the railroad or for the operation maintenance, sanitation or protection of the Canal.

I also wish to invite your attention to the Act approved July 20, 1939 (Public Numbered 200, Seventy-sixth Congress, Chapter 335, First Session)² authorizing an appropriation of not to exceed \$1,500,000 "to meet such expenses as the President, in his discretion, may deem necessary to enable the United States to cooperate with the Republic of Panama in connection with the construction of a highway between Chorrera and Rio Hato in the Republic of Panama".

I also wish to refer to the Act approved August 9, 1939 (Public Numbered 361, Seventy-sixth Congress, Chapter 633, First Session)³ entitled "An Act Making Appropriations to Supply Deficiencies in Certain Appropriations for the Fiscal Year Ending June 30, 1939 and July 30, 1940 and for Other Purposes", which contains under the heading "Corps of Engineers" the following appropriation:

"Chorrera and Rio Hato road, Republic of Panama: To enable the United States to cooperate with the Republic of Panama in connection with the construction of a highway between Chorrera and Rio Hato, in the Republic of Panama, as authorized by the Act approved July 20, 1939 (Public Numbered 200, 76th Congress), \$1,500,000 fiscal year 1940, to remain available until expended."

It is to be noted that, while the appropriation of the United States for its share of the cost of the highway amounted to \$1,500,000, the Export-Import Bank, in a contract signed February 21, 1940 with the Banco Nacional of Panama and the Republic of Panama agreed, under specific conditions, to cooperate in the financing of the Panamanian share of the construction cost to the extent of \$2,500,000.

In accordance with the provisions of the aforesaid Acts of Congress and the arrangements made by Panama with the Export-Import Bank, the Ambassador of Panama in Washington, representatives of the War I

² 53 Stat. 1071.

³ 53 Stat. 1301.

partment, of the Export-Import Bank, and of the Public Roads Administration, Federal Works Agency, in 1940 reached a mutually acceptable basis on which the two governments could cooperate in this work, and which provided that responsibility for the construction of the highway would be in the hands of Panamanian authorities but with the advice of engineers of the Public Roads Administration.

The War Department, through the Public Roads Administration, in 1941 stressed the urgency of rapidly completing the Rio Hato highway and asked that every effort be made immediately to transfer the responsibility for this work from the Panamanian Government to the Public Roads Administration.

The Panamanian Government agreed to this request and the transfer of responsibility was effected on December 29, 1941, with a request to the Panamanian Government that, in accordance with conversations held between the Panamanian Foreign Minister and the Under Secretary of State in June 1941, Panama's indebtedness arising out of a credit made available by the Export-Import Bank be liquidated at the earliest possible date.

With a view to effecting the proposed changes indicated, I recommend to the Congress its consideration of a draft Joint Resolution which is hereto annexed.⁴

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
August 13, 1942.

VISIT OF THE PRESIDENT OF CHILE TO THE UNITED STATES

Revised to the press August 15]

An exchange of telegrams between the President of the United States and His Excellency Antonio Rios, President of the Republic of Chile, follows:

"THE WHITE HOUSE, August 13, 1942.
It would give me the greatest pleasure if Your Excellency to find it possible to

not printed herein.

visit this country as the guest of the Government of the United States. In times like these when the Republics of the Americas need more than ever before to cooperate in the defense of the Western Hemisphere and in order to insure the preservation of the liberties of the peoples of the Americas, I believe that the opportunities afforded for personal meetings between the Presidents of the American Republics serve a singularly valuable purpose. It would give me the greatest satisfaction to be afforded the opportunity of receiving Your Excellency as our guest in Washington and thus be enabled to confer with you with regard to problems which vitally affect the interests of our two countries and the interests of the Americas.

"If it were possible for you to leave Chile at that period, I would suggest the coming month of October as a most agreeable time for your suggested visit.

"I trust that it may be possible for you to honor us by the acceptance of this invitation.

"Please accept [etc.]

FRANKLIN D ROOSEVELT"

[Translation]

"SANTIAGO, August 14.

"I deeply appreciate the high honor which Your Excellency has paid me in inviting me to make a visit to the United States as a guest of the Government, and I feel that the generous spontaneity of that invitation is most significant of understanding and deference toward my Government and me. I share without reservations Your Excellency's opinion that interviews of Chiefs of State, in circumstances as highly serious as those under which the world is living, serve a lofty purpose of cooperation and, on a cordial plane of mutual respect, promote a frank and sincere interchange of viewpoints on the weighty problems which so vitally concern our nations and the whole American continent. With this conviction, I am very honored to accept the invitation which Your Excellency is good enough to extend to me for conferences in Washington during the month of October, and anticipating the pleasure of exchanging views with Your Excellency, whose

vigorous, democratic personality is so justly admired in Chile, I shall be very happy immediately to seek from the National Congress the constitutional authorization which will allow me to leave the country for so lofty a purpose.

"I renew [etc.] JUAN ANTONIO RIOS"

ECONOMIC AND FINANCIAL COOPERATION WITH BOLIVIA

[Released to the press August 14]

During their visit to the United States Dr. Joaquin Espada, Minister of Finance of Bolivia, and Dr. Alberto Crespo Gutiérrez, Minister of National Economy of Bolivia, have carried on conversations with officials of the Government of the United States concerning comprehensive arrangements for economic and financial cooperation between Bolivia and the United States.

The economic and financial discussions with the Bolivian Ministers have been based in large part upon the studies made during a six-month period in Bolivia by the United States Economic Mission under the leadership of Mr. Merwin L. Bohan, a Foreign Service officer of the United States. In addition to Mr. Bohan there were seven other members of the Mission, including experts in highway construction, agriculture, and mining. This Mission conducted a survey in Bolivia with a view to recommending a program of economic development for Bolivia which would include improved communications, increased production of basic agricultural products for export, various types of development in the Bolivian mining industry, and the development of the Bolivian petroleum industry.¹

The discussions with Dr. Espada and Dr. Crespo have resulted in the formulation of a cooperative agreement for the financing by the two Governments of the first stage of a program of economic development through a Bolivian development corporation. The plan thus developed will be submitted to the Bolivian Congress.

¹ *Bulletin* of December 20, 1941, p. 563; and of July 11, 1942, pp. 621-22.

In accordance with the recommendations of the Economic Mission the Government of the United States has agreed to give favorable consideration at the appropriate time to the practicability, under conditions then existing, of extending, through the appropriate credit institution, credits for the financing of the second stage of the long-term program.

The recent revision of the agreement under which the Government of the United States purchases a large part of Bolivian tin production was an integral part of the program of economic and financial cooperation between Bolivia and the United States. Moreover, during the time that the Bolivian Ministers of Finance and National Economy have been in Washington arrangements have been completed for revision of the agreement by which the Government of the United States purchases Bolivian tungsten. The Government of the United States has likewise recently entered into an agreement with the Government of Bolivia for the purchase of Bolivian production of rubber.

The two Bolivian Ministers have discussed with the president of the Foreign Bondholders Protective Council, Incorporated, the possibility of inauguration of discussions with a view to settling the Bolivian dollar debt, and the Ministers have informed the Secretary of State that they believe it may soon be possible to find a mutually acceptable basis for subsequent formal discussions.

NATIONAL ANNIVERSARY OF ECUADOR

[Released to the press August 10]

The President has addressed the following telegram to His Excellency Carlos A. Arco Del Rio, President of the Republic of Ecuador, on the occasion of the national anniversary of Ecuador:

"THE WHITE HOUSE, August 10, 1942"

"On this national anniversary of Ecuador I take the greatest pleasure in extending to Your Excellency the heartiest best wishes of the Government and people of the United States for

being and prosperity of the Ecuadoran nation. These solemn occasions afford the free peoples of the Americas an opportunity soberly to consider the bases of their national liberties and the essential conditions of their maintenance in the future. Your Government and people may well feel the deepest gratification at the constructive, courageous steps which you have taken, under your leadership, to meet the challenge of these critical times and to counter the treacherous aims of the plotters of blood and conquest. I share the profound sense of appreciation with which the people of the United States have welcomed the unfailing cooperation in the defense of the freedom of the World of the Government and people of Ecuador.

Please accept [etc.]

FRANKLIN D. ROOSEVELT

The Foreign Service

DIPLOMATIC CONFIRMATIONS

August 13, 1942 the Senate confirmed the following nominations:

and B. Morris, of Pennsylvania, now a Foreign Service officer of class I and formerly Chargé of the American Embassy in Berlin, to be American Minister to Iceland.

Thomas M. Wilson, of Tennessee, now a Foreign Service officer of class I, to be Acting American Minister Resident and Consul General in Iraq.

Treaty Information

HEALTH

Sanitation Agreement With Bolivia

An exchange of notes dated July 15 and 16, 1942, an agreement was entered into between the Government of the United States of America

and the Bolivian Government for the cooperative development of a health and sanitation program in Bolivia.

Under the terms of the agreement the Government of the United States, through the agency of the Coordinator of Inter-American Affairs, will provide an amount not to exceed \$1,000,000 to be expended toward the development of the program. A group of medical and sanitation experts from the United States will work in close cooperation with the appropriate officers of the Bolivian Government, and technical advice and expert assistance by medical and sanitation specialists will be made available by the United States to the Bolivian Government should the need for such consultation arise. Arrangements for the detailed execution of each project, and the expenditure of the funds for the purpose, will be agreed upon by the Chief Medical Officer and the appropriately designated officer of the Bolivian Government. The projects include:

1. General disease control by epidemiological procedures and by clinics and public education.
2. Malaria control.
3. Yellow-fever control.
4. Care of lepers.
5. Environmental sanitation.

The agreement was concluded in accordance with resolution XXX of the Third Meeting of the Ministers of Foreign Affairs of the American Republics, which met at Rio de Janeiro from January 15 to January 28, 1942. The resolution reads as follows:

"XXX

"IMPROVEMENT OF HEALTH AND SANITARY CONDITIONS

"Whereas:

"1. The American Republics are now undertaking measures for the development of certain common objectives and plans which will contribute to the reconstruction of world order;

"2. The American Republics are now undertaking measures seeking to conserve and develop their resources of critical and strategic

materials, to maintain their domestic economies and eliminate economic activities prejudicial to the welfare and security of the American Republics;

"3. The defense of the Western Hemisphere requires the mobilization of the vital forces, human and material, of the American Republics; and

"4. Adequate health and sanitary measures constitute an essential contribution in safeguarding the defensive powers and the ability to resist aggression of the peoples of the American Republics,

"The Third Meeting of the Ministers of Foreign Affairs of the American Republics

Resolves:

"1. To recommend that the Governments of the American Republics take individually, or by complementary agreements between two or more of them, appropriate steps to deal with problems of public health and sanitation, by providing, in accordance with ability, raw materials, services and funds.

"2. To recommend that to these ends there be utilized the technical aid and advice of the national health service of each country in cooperation with the Pan American Sanitary Bureau."

CONSULAR

Convention With Mexico

[Released to the press August 13]

A consular convention between the United States and Mexico was signed on August 12, 1942 at Mexico City by Mr. George S. Messersmith, American Ambassador at Mexico City, and Señor Licenciado Ezequiel Padilla, Mexican Minister for Foreign Relations.

The convention defines and establishes the duties, rights, privileges, exemptions, and immunities of consular officers of each country in the territory of the other country. The provi-

sions of the convention are substantially similar in most respects to the provisions of consular conventions with foreign countries signed by the United States in recent years.

The convention will enter into force 30 days from the date on which the ratifications of the two Governments are exchanged. It will remain in force for an initial period of 5 years and will continue in force thereafter until 6 months from the date on which either Government shall have notified the other Government of an intention to modify or terminate the convention.

MILITARY MISSIONS

Agreement With Bolivia

[Released to the press August 11]

In response to the request of the Government of Bolivia an agreement was signed on August 11, 1942 by the Honorable Cordell Hull, Secretary of State, and Señor Dr. Don Luis Fernando Guachalla, Ambassador of Bolivia in Washington, providing for the detail of a military mission to Bolivia. The agreement is effective for a period of four years beginning with the date of signature. The service of the mission may be extended beyond that period at the request of the Government of Bolivia.

The agreement contains provisions similar in general to provisions contained in agreements between the United States and certain other American republics providing for the detail of officers of the United States Army or Navy to advise the armed forces of those countries.

FINANCE

Agreement With Mexico for the Construction of Highways

The Secretary of Commerce and the Secretary of Finance and Public Credit of Mexico jointly announced on August 12, 1942,

at an agreement has been reached whereby the Mexican Highway credit of \$30,000,000, announced on November 19, 1941, may be used in installments exceeding \$10,000,000 a year in order to expedite the completion of roads now under construction, including the Inter-American Highway from Mexico City to the border of Guatemala.

OPIUM

International Convention of 1912

Belgian Congo - Ruanda-Urundi

By a note dated August 3, 1942 the Netherlands Ambassador at Washington informed the Secretary of State that the adherence of the Belgian Congo and the mandated territory of Ruanda-Urundi to the International Opium Convention, signed at The Hague on January 23, 1912, was notified by the Belgian Government to the Government of the Netherlands on August 29, 1942.

STRATEGIC MATERIALS

Agreement With Mexico

On August 12, 1942 the Secretary of Commerce and the Sub-Secretary of Finance and the Credit of Mexico jointly announced the signing of an agreement under which the Export-Import Bank will extend credits up to \$10,000,000 to pay for new and second-hand equipment and materials and for services in the United States to aid the establishment of the Altos Hornos steel plant at Monclova, State of Coahuila, Mexico. Advances under the credit will be evidenced by the direct obligations of the Nacional Financiera, S.A., unconditionally guaranteed as to payment by the Government of Mexico. Expenditures for Mexican materi-

als, transportation, and services are being met with proceeds from sale of stock of Altos Hornos de México, S.A., in Mexico.

Agreements With Trinidad and British Guiana

An announcement regarding the signature of agreements with Trinidad and British Guiana under the terms of which the Rubber Reserve Company will purchase, until December 31, 1946, all rubber produced in Trinidad and British Guiana which is not required for essential domestic needs there, appears in this *Bulletin* under the heading "The War".

GENERAL RELATIONS

General Treaty With Panama

A message from the President of the United States to the Congress relating to the General Treaty of Friendship and Cooperation between the United States and Panama, signed on March 2, 1936 and proclaimed on July 27, 1939 (Treaty Series 945), appears in this *Bulletin* under the heading "American Republics".

Legislation

Detail of officers and enlisted men to foreign governments [for the purpose of assisting the governments of the other American republics in military and naval matters]. S. Rept. 1578, 77th Cong., 2d sess., on S. 2686. 2 pp.

The vote of Matthew Lyon, of Vermont, elected Thomas Jefferson President in 1801 [authorizing the printing of a manuscript of an article regarding this event]. H. Rept. 2393, 77th Cong., 2d sess., on H. Res. 512. 2 pp.

Publications

DEPARTMENT OF STATE

The American Foreign Service: General Information for Applicants and Sample Entrance-Examination Questions. Revised to June 1, 1942. Publication 1771. iv, 150 pp. Free.

Foreign Service List, July 1, 1942. Publication 1776. iv, 115 pp. Subscription, 50¢ a year; single copy, 15¢.

Transfers of Citizens and Former Citizens Between Armed Forces: Agreement Between the United States of America and Canada—Effectuated by exchange of notes signed March 18 and 20, 1942. Executive Agreement Series 245. Publication 1777. 4 pp. 5¢.

The Proclaimed List of Certain Blocked Nationalities, Revision III, August 10, 1942, Promulgated Pursuant to Proclamation 2497 of the President of July 1941. Publication 1779. 230 pp. Free.

Diplomatic List, August 1942. Publication 1780. ii, 101 pp. Subscription, \$1 a year; single copy, 15¢.

Provisional Administration of European Colonies and Possessions in the Americas: Convention Between the United States of America and Other American Republics—Signed at Habana July 30, 1940; proclaimed by the President February 12, 1942. Treaty Series 977. v, 33 pp. 10¢.

Inter-American Indian Institute: Convention Between the United States of America and Certain Other American Republics—Signed for the United States of America November 29, 1940; proclaimed by the President February 12, 1942. Treaty Series 978. 46 pp. 10¢.

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THE DEPARTMENT OF STATE
BULLETIN

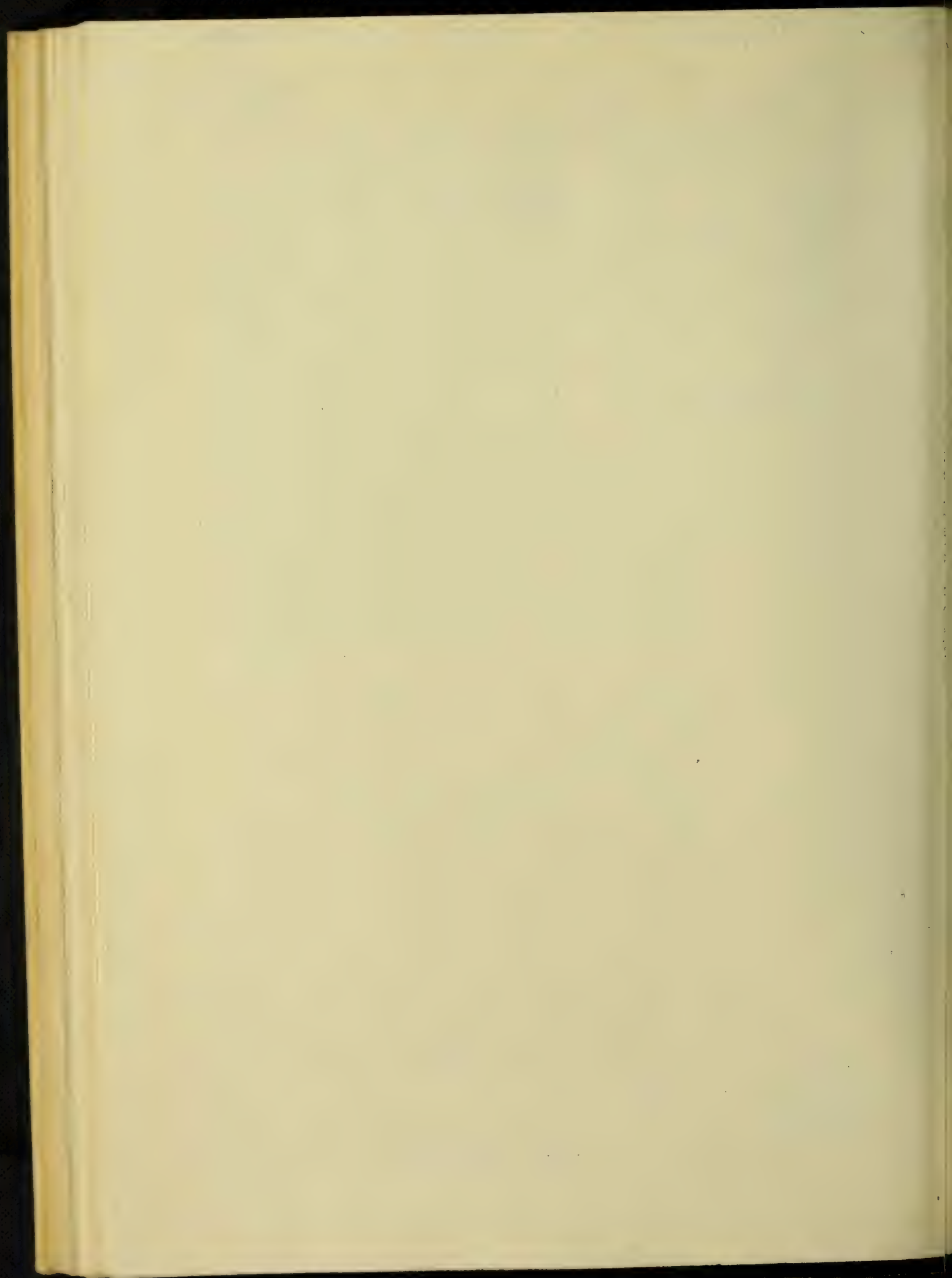
AUGUST 22, 1942

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The War

CRIMES AGAINST CIVILIAN POPULATIONS IN OCCUPIED COUNTRIES

STATEMENT BY THE PRESIDENT

Released to the press by the White House August 21]

The Secretary of State recently forwarded me a communication signed by the Ambassador of the Netherlands and the Ministers of Yugoslavia and Luxembourg on behalf of the governments of Belgium, Greece, Luxembourg, Norway, Netherlands, Poland, Czechoslovakia, Yugoslavia, and the French National Committee in London, calling attention to the barbaric crimes against civilian populations which are being committed in occupied countries, particularly on the continent of Europe.

In this communication, attention was invited to the declaration signed in London on January 13, 1942 by the representatives of nine governments whose countries are under German occupation. This declaration affirmed that acts of violence thus perpetrated against civilian populations are at variance with accepted ideas concerning acts of war and political offenses as these are understood by civilized nations; stated that the punishment, through the channel of organized justice of those guilty and responsible for these crimes, is one of the principal war aims of the contracting governments; and recorded the determination of the contracting governments in a spirit of international solidarity to see to it that those guilty and responsible, whatever their nationality, are handed over to justice and tried and that the sentences pronounced are carried out. The communication which I have just received from the chiefs of mission of the Netherlands, Yugoslavia, and Luxembourg states that these acts of oppression and terror have taken proportions and forms giving rise to the fear

that as the defeat of the enemy countries approaches, the barbaric and unrelenting character of the occupational regime will become more marked and may even lead to the extermination of certain populations.

As I stated on October 25, 1941:

"The practice of executing scores of innocent hostages in reprisal for isolated attacks on Germans in countries temporarily under the Nazi heel revolts a world already inured to suffering and brutality. Civilized peoples long ago adopted the basic principle that no man should be punished for the deed of another. Unable to apprehend the persons involved in these attacks the Nazis characteristically slaughter fifty or a hundred innocent persons. Those who would 'collaborate' with Hitler or try to appease him cannot ignore this ghastly warning.

"The Nazis might have learned from the last war the impossibility of breaking men's spirit by terrorism. Instead they develop their 'lebensraum' and 'new order' by depths of frightfulness which even they have never approached before. These are the acts of desperate men who know in their hearts that they cannot win. Frightfulness can never bring peace to Europe. It only sows the seeds of hatred which will one day bring fearful retribution."

The Government of the United States has been aware for some time of these crimes. Our Government is constantly receiving additional information from dependable sources, and it welcomes reports from any trustworthy source which would assist in keeping our growing

fund of information and evidence up to date and reliable.

The United Nations are going to win this war. When victory has been achieved, it is the purpose of the Government of the United States, as I know it is the purpose of each of the United Nations, to make appropriate use of the in-

formation and evidence in respect to these barbaric crimes of the invaders, in Europe and Asia. It seems only fair that they should have this warning that the time will come when they shall have to stand in courts of law in the various countries which they are now oppressing and answer for their acts.

SINKING OF FIVE BRAZILIAN VESSELS

[Released to the press August 22]

An exchange of telegrams between the President of the United States of America and His Excellency Getulio Vargas, President of the United States of Brazil, follows:

"THE WHITE HOUSE, August 20, 1942.

"I have been outraged by the criminal sinking of the five Brazilian vessels. This contemptible action is barbaric in its utter disregard for all decency and civilized conduct and utterly futile in its desperate attempt to coerce and intimidate the free people of Brazil. In this moment of grave menace to the respect, the integrity, and the destiny of Brazil, I reiterate once again the abiding friendship of the people of the United States for the people of Brazil, their profound gratitude for the cooperation in the defense of the hemisphere which already has resulted in many sacrifices to Brazil, and their determination to defeat those who futilely seek to dominate Brazil and all other countries that value their freedom and independence.

"I want you to know that my thoughts and sympathy are with you in this critical hour.

FRANKLIN D. ROOSEVELT

[Translation]

"RIO DE JANEIRO, August 22, 1942.

"In the name of the people and of the Government of Brazil I wish to thank you and the noble American people for your hearty and comforting message sent to me in connection with the brutal assault of pirate Axis submarines against Brazilian vessels aimed at intimidating us and interrupting our maritime communications. Such acts of vandalism can only strengthen the principle of continental solidarity and determined cooperation between our nations. We shall answer without fear disregarding any danger involved knowing that we can count on the sympathy and adherence of the American nations which are ready to defend their sovereignty.

GETULIO VARGAS

DECLARATION OF WAR BY BRAZIL ON GERMANY AND ITALY

[Released to the press by the White House August 22]

The following cablegram was dispatched by President Roosevelt to His Excellency Getulio Vargas, President of the United States of Brazil:

"I have been informed that the United States of Brazil has today recognized that a state of war exists between Brazil, on one hand, and Germany and Italy on the other hand.

"On behalf of the Government and people of the United States I express to Your Excellency the profound emotion with which this courageous action has been received in this country. This solemn decision more firmly aligns the people of Brazil with the free peoples of the world in a relentless struggle against the relentless and predatory Axis powers. It adds power and strength, moral and material, to the armed

liberty. As brothers in arms, our soldiers and sailors will write a new page in the history of friendship, confidence, and cooperation which has been marked since the earliest days of independent relations between your country and mine. The action taken today by your Government hastens the coming of the inevitable victory of freedom over oppression, of Christianity over the forces of evil and darkness. I send you my warmest personal regards and expressions of the fullest confidence in the success of our common cause."

Transmitted to the press August 22]

The following telegram has been sent by the Secretary of State to His Excellency Oswaldoanha, Foreign Minister of Brazil:

"AUGUST 22, 1942.

We have received a note from the Brazilian Ambassador in Washington informing me that the Government of Brazil recognizes that a state of war exists between Brazil on the one hand and Germany and Italy on the other hand. The people of the United States welcome the action of Brazil as brothers in arms and salute their high resolve and defiant courage in taking

a position unequivocally at the side of the embattled freedom-loving nations of the world. Today a heavy blow has been dealt the Axis Powers, moral no less than military, when a great, peaceful and law-abiding nation is driven by unprovoked acts of ruthless barbarity to take up arms in self-defense. It comes as no surprise to my countrymen that the proud Brazilian Nation has chosen the risks and hardships of battle when confronted with wanton attacks on its sovereign dignity and rights.

"The action of the Axis Powers in attacking your great country and people is a further demonstration of the fact that those Powers will strike at any peace-loving nation as and when to do so will serve their purpose of world conquest, regardless of considerations of humanity and international law. It also brings into bold relief the basic principle upon which the solidarity of the American republics rests, namely, that an attack against any one of them is an attack against all of them. Each of the twenty-one American Republics are today equally in danger.

"Together our two countries will face the future with serene confidence and high hearts.

"I take pleasure [etc.] CORDELL HULL"

TRANSFER OF UNITED STATES CITIZENS FROM CANADIAN TO UNITED STATES ARMED FORCES

Transmitted to the press August 20]

Through an exchange of notes at Ottawa on August 18 and 20, 1942 the Canadian Government agreed to the transfer to the armed forces of the United States of certain United States citizens and former United States citizens who were serving in the Canadian armed forces. To facilitate the return of these men the Canadian-American Military Board, composed of members of the various branches of the armed services was set up. Between May 5 and June 3 the board visited many of the principal military camps across Canada and effected the transfer of over 2,000 Americans.

The texts of notes recently exchanged between the two Governments with respect to these transfers are quoted below.

"JULY 10, 1942.

"MY DEAR MR. SECRETARY:

"You may have been informed that, under the terms of a recent agreement concluded between our two Governments, approximately 2,058 United States citizens have transferred from the Armed Forces of Canada to the Armed Forces of the United States. As these transfers are now virtually complete, I have been instructed to communicate to the United States Government the gratitude of the Government and people of Canada which is felt to those United States citizens who have now left our Forces for those of the United States.

"In this connection, the Prime Minister of Canada recently made the following statement in the House of Commons:

"We shall be sorry to lose those United States citizens who transfer to their own Forces. We do not, however, wish to stand in their way if they feel that they would sooner serve under the flag of their own country. Whether they are serving under our flag or under the United States flag, they are serving in the Armed Forces of the United Nations and are contributing to the common victory.

"The Americans in our Forces came to us when their country was still at peace. They came because they knew that Hitler was as much the enemy of the United States as he was the enemy of Canada. We were grateful to them for enlisting in our Forces—grateful because of the assistance which they freely gave us and grateful because they were living proofs—if proofs were needed—of the sympathy and support of their country for our cause. We shall always remain grateful to them. These sixteen thousand men were forerunners of the hundreds of thousands, the millions of their fellow citizens who are today enlisted in the struggle against the Axis."

"Most of the United States citizens who have been transferred to the Armed Forces of the United States have come from the Royal Canadian Air Force. On behalf of the Royal Canadian Air Force, the Minister of National Defence for Air has written to the Prime Minister of Canada as follows:

"The Joint Canadian-American Military Board recently formed to repatriate American citizens in the Canadian Armed Forces has completed its proceedings and to me, the time seems appropriate to despatch a letter of appreciation to the United States authorities for the services rendered in Canada, and to the R.C.A.F. in particular, by those American citizens who early in the war came to our assistance and, of their own volition, volunteered for service in the initial organization and operation of the British Commonwealth Air Training Plan, conducted under the direction of the Royal Canadian Air Force.

"These young men from the United States came to Canada and applied themselves whole-

heartedly to the early stages of our planning and training programmes and without a doubt their valued assistance has been greatly responsible for the successes which have far surpassed our original expectations.

"We know that, on repatriation to the United States Armed Forces, the officers and men who have been so valuable to the Royal Canadian Air Force will continue to apply themselves to the war effort of the United States of America in the same capable manner and thereby further the common cause of our two countries towards final victory. It is with sincere regret, but pride in the part that they played, that we part with the Americans who have fitted into our organization and formed such a formidable team, with our own Canadian officers and men.

"The Royal Canadian Air Force would like to have conveyed to these young men their gratitude for past services, and sincere wishes for their future successful careers with the Armed Forces of the United States of America. It is also desired to express appreciation for the splendid and cooperative manner in which the American personnel of the Joint Canadian-American Military Board performed their duties while in Canada and for the excellent impression left, of their eagerness to complete the task assigned to them. Such spirit is and will be an inspiration to those serving under them and go far in furthering our joint cause."

"Believe me, my dear Mr. Hull,

Yours very sincerely,

LEIGHTON McCARTHY

"AUGUST 8, 1942"

"MY DEAR MR. CHARGÉ D'AFFAIRES:

"Reference is made to the Minister's note of July 10, 1942, commenting on the recent transfer of over two thousand United States citizens from the armed forces of Canada to the armed forces of the United States and expressing appreciation of the Government and people of Canada for the services which these men rendered while serving with the Canadian forces."

"A copy of Mr. McCarthy's note was sent to the Secretary of War who has requested me to communicate the following message to the Canadian Government:

"The War Department wishes to express to the Canadian Government its acknowledgment and appreciation of the training which the Canadian Armed Forces, including the Royal Canadian Air Force, have given to those United States citizens who have now been transferred to the Armed Forces of their own country. These citizens return to us benefited by advantages of training and experience provided to them by the Dominion of Canada. That training and experience will not be lost to Canada, however, for although the uniform worn by these men will henceforth be different, the cause for which they fight—the cause of Freedom, shared by all the United Nations—remains the same. To the Canadian Government, which gave its full cooperation to the Canadian-American Military Board in its work of arranging the transfers, the War Department extends its gratitude."

"I have also informed the Secretary of the Navy of Mr. McCarthy's note and am now in receipt of a letter from the Acting Secretary who has asked me to express the sincere appreciation of the Navy Department for the fine cooperation shown the Canadian-American Military Board during its trip through Canada and to state that without this cooperation it could have been impossible to have effected, in such a short time and with such facility, the transfer of American citizens from the armed forces of Canada to the United States armed forces."

"In communicating the above to your Government, I should appreciate your adding my personal view that these young men who have now returned to serve in the American forces will constitute a group of ambassadors of good will to spread throughout the United States the story of Canada's great contribution to the common war effort."

"Sincerely yours,

CORDELL HULL"

ECONOMIC ASSISTANCE TO FRENCH NORTH AFRICA

The exchange of goods with French North Africa, under the terms of an economic accord, has been resumed.¹ Two French ships sailed on August 9 from the United States for Casablanca, carrying supplies of a non-military nature for the use of the local population. These are supplies of which French North Africa is in great need and which under present conditions can only be furnished by the United States. American consular agents stationed in Morocco, Algiers, and Tunisia will supervise their distribution.

On August 11 two other ships sailed from Casablanca, carrying a mixed cargo of cork, tartar, olive oil, and other North African products for the United States.

RUBBER AGREEMENT WITH BRITISH HONDURAS

[Released to the press August 18]

The signing of a rubber agreement with British Honduras was announced on August 18 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreement, the Rubber Reserve Company will purchase, until December 31, 1946, all rubber produced in British Honduras which is not required for essential domestic needs there.

EXCHANGE OF DIPLOMATIC AND CONSULAR PERSONNEL AND OTHER NATIONALS

The S.S. *Gripsholm* with 1,451 American and other nationals on board is expected to arrive at New York on August 25.

¹ *Bulletin of April 11, 1942, p. 318, and April 18, 1942, p. 337.*

In order to expedite the disembarkation of the passengers, the governmental agencies concerned in the examination of those arriving have decided that no persons will be allowed on the pier until examination is completed.

A list of passengers on the *Gripsholm* has been issued as Department of State press release 416, of August 18, 1942.

General

BIRTHDAY OF THE PRESIDENT OF THE PHILIPPINES

[Released to the press August 19]

The text of a message from the President to His Excellency Manuel Luis Quezon on the occasion of his sixty-fourth birthday follows:

"On the occasion of your birthday, I send you greetings of warm friendship. In the past year the Philippine people under your leadership have shown what heights human beings can reach when the love of freedom inspires and guides them.

"I know that I speak for the people of the United States when I say that we hope for you today a continuance of the strength, fortitude, and vision which have enabled you to serve your people in their greatest trial and which will enable you in the future to play your part in bringing liberty and abundance to your people."

Commercial Policy

MEXICAN EXPORTATION OF SILVER TO THE UNITED STATES

The Department of State and the Office of Price Administration announced on August 23 that on the basis of discussions which have been

conducted with the Mexican Government and the Governments of Mexico and the United States have agreed in principle to an increase in the price at which silver may be imported into the United States from 35 $\frac{3}{8}$ ¢ an ounce to 45¢ an ounce, f.o.b. New York or San Francisco, to be effective August 31. Details are still to be worked out.

An amendment to the maximum price regulation (no. 198) on imports of silver bullion will shortly be issued, changing the maximum price at which silver bullion may be imported from any country into the United States from 35¢ an ounce to 45¢ an ounce.

Mexico is the largest exporter of silver to the United States. Lesser amounts also come from Canada, Peru, and Chile.

The Near East

NOMINATION OF TURKISH FOREIGN MINISTER

[Released to the press August 19]

On August 15 the Secretary of State addressed the following message to His Excellency Numan Menemencioglu on the occasion of his nomination as Minister of Foreign Affairs of the Turkish Republic:

"I send you, Mr. Minister, my warmest congratulations upon your appointment as Minister for Foreign Affairs, and felicitate the Turkish Government upon its good fortune in having so worthy a successor to your esteemed predecessor."

A translation of the reply which has been received from Mr. Menemencioglu follows:

"The cordial and friendly message from Your Excellency was kind enough to address me on the occasion of my nomination to the office of Minister of Foreign Affairs has touched

ply. I beg you to accept my warmest thanks and to be assured of my most friendly sentiments."

International Conferences, Commissions, Etc.

ELEVENTH PAN AMERICAN SANITARY CONFERENCE

The Eleventh Pan American Sanitary Conference will be held in Rio de Janeiro, Brazil, September 7-18, 1942. Invitations have been extended to all the American republics to be represented. National leaders in the field of public health and sanitation are expected to be present. The Conference assumes unusual significance at the present time because of the need for maintaining the health of the civilian population in a period of crisis and for considering health problems which might have a bearing on military operations. One of the subjects which will receive most careful study will be the maintenance of an adequate supply of drugs and medical and hospital supplies. Other matters relating to public health will also be reviewed, especially cooperation in problems of hemispheric scope in order to secure uniformity of action and avoid duplication of effort.

The Department

PRESENTATION ON FISHERIES COMMITTEE OF THE WAR PRODUCTION BOARD

On August 15, 1942 the Department of State issued a notice regarding the establishment of a Committee of the War Production Board of a Fisheries

Committee consisting of representatives of Federal agencies having functions to perform with respect to production of fishery products, particularly as a source of food supply. Mr. Leo D. Sturgeon, Assistant to the Assistant Secretary of State, Mr. Breckinridge Long, has been designated to serve as the Department's representative on the Committee and as liaison officer of the Department with the Office of Fishery Coordination of the Department of the Interior. Mr. Charles I. Bevans, of the Treaty Division of the Department of State, will serve as alternate liaison officer with the Office of Fishery Coordination.

The Foreign Service

ESTABLISHMENT OF CLAIM BOARD

On August 20, 1942 the Secretary of State issued Departmental Order 1082, establishing a Claim Board, the members of which include the Assistant Secretary of State designated as Budget Officer, the Legal Adviser, and the Chief of the Division of Foreign Service Administration, "in order to facilitate the preparation of claims for personal losses of officers and employees of the Foreign Service for such legislative action as may be desirable as soon as possible after such claims arise".

Publications

DEPARTMENT OF STATE

Index to the Department of State Bulletin, vol. VI, nos. 132-157, January 3 - June 27, 1942. Publication 1781. 27 pp.

Treaty Information

STRATEGIC MATERIALS

Rubber Agreement With British Honduras

An announcement concerning the signing of a rubber agreement with British Honduras appears in this *Bulletin* under the heading "The War".

ARMED FORCES

Agreement With Canada Regarding Transfer of United States Citizens From Canadian to United States Armed Forces

The texts of notes exchanged between the Secretary of State and Canadian officials with regard to action taken by the Joint Canadian-American Military Board under the provisions of the agreement with Canada regarding the

transfer of United States citizens from Canadian to United States armed forces, signed March 18 and 20, 1942 (Executive Agreement Series 245), appear in this *Bulletin* under the heading "The War".

Legislation

Censorship Between Territories and the United States
H. Rept. 2397, 77th Cong., on H. R. 7151. 3 pp.

Refugee and Foreign War Relief Programs: Message From the President of the United States Transmitted Report to Congress on the Refugee and Foreign War Relief Programs for the Period Beginning July 1, 1940, and Ending April 30, 1942. H. Doc. 807, 77th Cong. viii, 61 pp.

An Act To facilitate the disposition of prizes captured by the United States during the present war, and for other purposes. Approved August 18, 1942. [H. R. 7211.] Public Law 704, 77th Cong. 2 pp.

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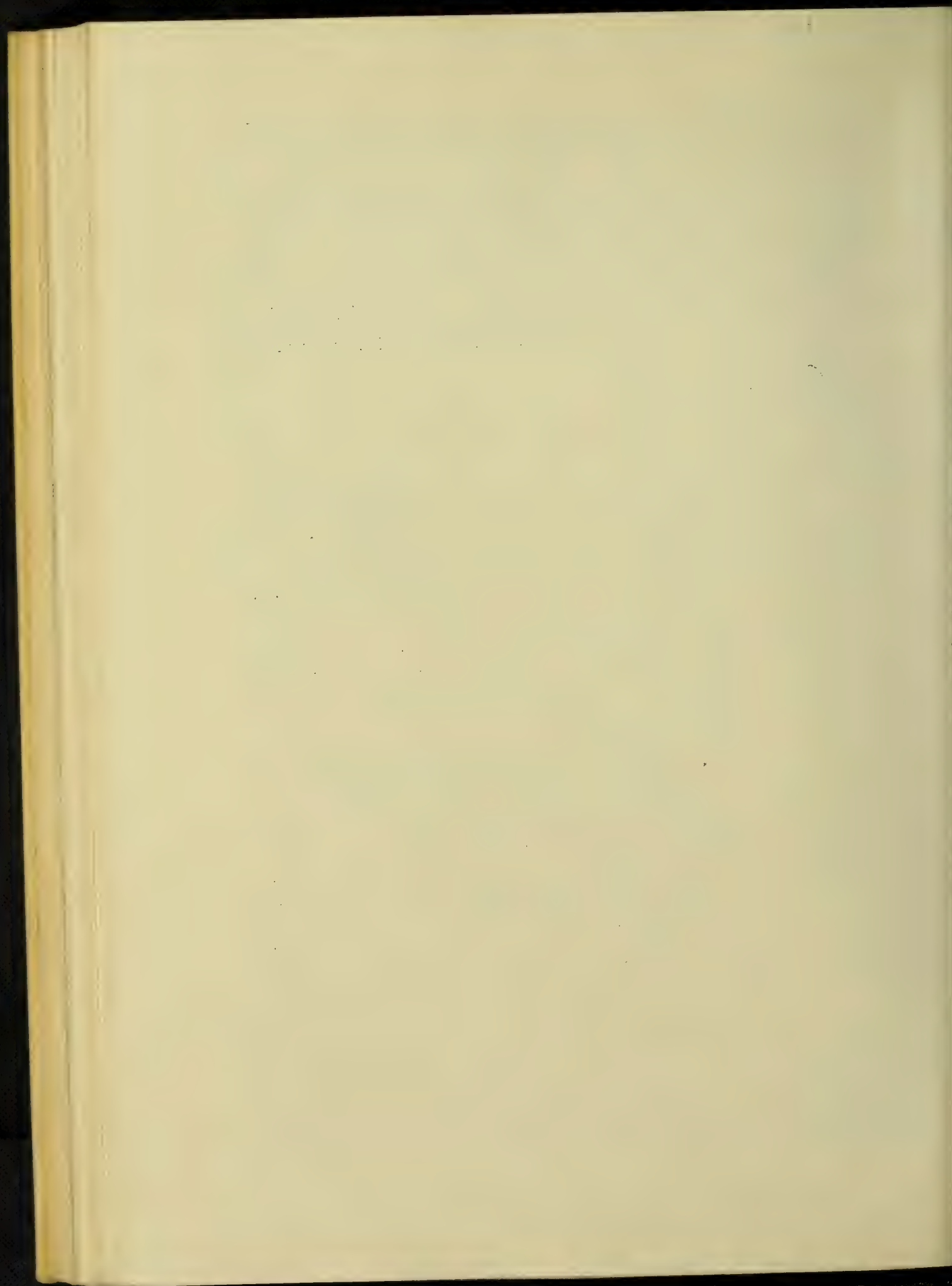
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The War

RADIO ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN¹

First of all, I should like to say how deeply we have been moved, my associates and myself, to have just returned on the exchange ship *Gripsholm*, by the many greetings of friends and the great volume of messages of welcome which have come to us from all over the country. The welcome given us has warmed our hearts, and it is one that we can never forget; nor can we ever forget the really inexpressible joy of coming home after the difficult months and moments through which we have passed in Japan and Japanese-occupied territories. It may be impossible to answer all those messages individually. Please let me express now to all to hear me our most grateful thanks for them. Never before has my native land looked to me so beautiful. Never before has a homecoming meant so much. I think you will realize a little what it meant to us when I tell you of those seven days at anchor off Yokohama before the evacuation vessel finally sailed from Japanese waters. We were awaiting the completion of the negotiations for our exchange, not knowing whether those negotiations would be successful and whether, if they were unsuccessful, we might not all be returned to our imprisonment in Japan. Among us were many Americans—missionaries, teachers, newspaper correspondents, businessmen—who had spent the preceding six months in solitary confinement in cold, bitterly cold prison cells, inadequately heated and inadequately fed and at times subjected to the most cruel and barbaric tortures. I will not go into the nature of those tortures,

which were many, except to mention an incident on the *Gripsholm* when three elderly Americans, one of them over 70 years old, gave me a demonstration of the water-cure which had repeatedly been inflicted upon them. We went up to the bow of the ship early in the morning where a friend posed as the subject of the torture. He was tied up with his knees drawn up to his chin, his neck being attached to his knees and his hands securely bound behind him so that the cords in the actual torture had penetrated deep under the skin. He was then rolled over with his face up and water was poured into his nose and mouth. It was a realistic performance, but only from the oral description of those men could I visualize what the actual torture must have been. Six large buckets of water were used by the Japanese police, so that the subject lost consciousness and then was brought back to consciousness merely to have the same thing repeated. One of those elderly missionaries was given the water-cure six separate times in order to make him divulge information which he was supposed to have acquired as an alleged spy. Nearly all the American missionaries, teachers, newspaper correspondents, and businessmen were regarded as potential spies. The stupidity of those Japanese police was only surpassed by their utter cruelty. That same American told me that once while he was lying tied on the floor a Japanese had ground his boot-sole into his face and then had brutally kicked him, smashing a rib. When he was finally untied, he could barely stand and he said he feared that a rib had been broken. One of the Japanese police asked where the broken rib was and began to feel his body. As the Japa-

¹The Honorable Joseph C. Grew. Released to the public and broadcast over the facilities of the Columbia Broadcasting System, Washington, August 30, 1942.

nese came to the broken bone he said, "Is that the place?" and when the man answered "Yes", the policeman hauled off with his fist and hit that broken rib as hard as he could. In another case, a well-known American has been seriously maimed as a result of the gangrene which was caused by the ill-treatment that he received in his prison cell. I had known him in years gone by and seldom have I had so great a shock as when I saw him on the ship, a mere shadow of his former self. There were many, many other cases.

I had heard indirectly of the horrible atrocities perpetrated in the rape of Nanking and of the fearful things done in Hong Kong when soldiers who had been taken as prisoners of war were bayoneted to death. But on shipboard we had direct evidence, for the dying shrieks of those soldiers were heard by a woman, a fellow passenger of ours, who herself told me the terrible story. This was no second-hand evidence but the reports of reliable first-hand witnesses and, in the case of the torture, the first-hand evidence of those who had suffered the tortures themselves.

Do you wonder that during those seven days of waiting in the harbor of Yokohama several of those people told me that if the negotiations for our exchange failed they would commit suicide rather than return to their imprisonment in Japan?

And then came one of the greatest of all moments. I awoke at 1 a.m. on June 25 sensing that something was happening. I looked out of the porthole and saw a piece of wood slowly moving past in the water. Another piece of wood moved faster. We were at last under way, slowly accelerating until the ship was finally speeding at full steam, away from Yokohama, away from Japan, pointing homeward. Ah, what a moment that was, even though we had 18,000 miles to cover and 70 days in all before we should pass the Statue of Liberty in New York harbor and repeat to ourselves, with tears pouring down many a face,

Breathes there the man with soul so dead
Who never to himself hath said,
This is my own, my native land?

I shall have something to say tonight about the Japanese military machine which brought on this war and against which we are fighting today. But before turning to that subject there is something else which I cannot leave unsaid. I have lived for 10 years in Japan. I have had many friends in Japan, some of whom I admired, respected, and loved. They are not the people who brought on this war. As patriots they will fight for their Emperor and country to the last ditch if necessary, but they did not want this war and it was not they who began it. Even during our imprisonment in Tokyo many of those friends used to contrive to send me gifts in spite of the usual obstruction of the police who wished to cut us off completely from the outside world. They were not the usual gifts of flowers but gifts of food, sometimes a piece of meat, which was the most precious gift they could confer because they themselves could seldom get meat. For 10 years I have broken bread in their houses and they in mine. They were personally loyal to me to the end.

But there is the other side to the picture, the ugly side of cruelty, brutality, and utter brutality, the ruthlessness and rapaciousness of the Japanese military machine which brought on this war. That Japanese military machine and military caste and military system must be utterly crushed, their credit and predominance must be utterly broken, for the future safety and welfare of the United States and of the United Nations and for the future safety and welfare of civilization and humanity. Let me put it in a nutshell: there is not sufficient room in the area of the Pacific Ocean for a peace-loving America, for any of the peace-loving United Nations, and a swashbuckling Japan.

I shall come back to that subject, but first may interest you to know something about the last hours in Tokyo preceding the disastrous attack on Pearl Harbor. That story is of great interest.

Late in the evening of December 7 I received a telegram from our Secretary of State, Cordell Hull, containing a message from the President which I was to communicate to the Emperor.

the earliest possible moment. I immediately requested for an appointment with the Minister for Foreign Affairs, Mr. Togo, around midnight, and drove at once to the Minister's official residence and requested an audience with the Emperor in order to present the President's message. Mr. Togo said that he would present my request to the Throne, and I left him at about 10:30 a.m. This must have been only a few hours—Japan time—prior to the attack on Pearl Harbor.

At 7 a.m. on the morning of December 8 I was awakened by a telephone call from the Foreign Minister's secretary, who asked me to come to the Minister's residence as soon as possible. He told me that he had been trying to telephone to me since 5 a.m. but had been unable to get connection. I hurriedly dressed and arrived at the Minister's residence at about 7:30. Mr. Togo entered the room grim and formal and handed to me the reply to the President's message to the Emperor, whom I was told he had seen at about 6 a.m., presumably just after the news of the attack on Pearl Harbor. At the same time he handed me a long memorandum ending with the statement: "The Japanese Government regrets that it has to notify hereby the American Government that in view of the attitude of the American Government it cannot but consider that it is impossible to reach an agreement through further negotiations."

I asked the Minister if he had presented to the Emperor my request for an audience. The Minister merely replied that he had no intention of standing between myself and the Throne. He then made a little speech thanking me for my efforts to preserve peace and as usual came downstairs to see me off at the door. He said nothing whatever about the outbreak of war between our countries and I returned to the Embassy in entire ignorance that developments as serious as the breaking off of the conversations had occurred. It was not until at least four or more later that a press bulletin was issued announcing the attack on Hawaii and the outbreak of war between Japan and the United States and Great Britain. When the bulletin was handed to me I could hardly believe that the news was true. However, it was soon

confirmed from other sources, and later in the morning an official of the Foreign Office brought to my secretary the official note declaring war. Almost immediately afterward the Embassy's gates were closed and locked by the police, and from that moment we were regarded and treated as prisoners. A group of Japanese radio experts then immediately came and went through all our houses with a fine-toothed comb, taking away all short-wave radio sets so that thereafter we should have no contact with the outside world save through the Japanese newspapers which were regularly delivered to us.

I had long known of Japan's preparations for war and I kept my Government currently advised of the information which came to my knowledge on that subject.

And now, before closing, I should like to tell you something about the Japanese military machine against which we are fighting today. That machine has been trained and perfected through many years, for it has always had in view, even before the invasion of Manchuria in 1931, the prospect of eventually sweeping not only to the north against Russia but to the west and south in order to control what the Japanese have latterly termed "The Co-Prosperity Sphere of Greater East Asia including the South Seas". It need hardly be said that the phrase "Co-Prosperity Sphere" denoted in fact the intention to exert Japanese control, politically, economically—absolutely—over all those far-flung territories.

In 1931 came their invasion of Manchuria. In 1937 came their invasion of China south of the wall, and while their Army eventually floundered in China, due to the magnificent fighting spirit of Chiang Kai-shek, his courageous armies, and his determined people, nevertheless the warfare which then ensued proved a practical training for the Japanese soldiers and sailors, who tirelessly developed and perfected the tactics which they subsequently used in their landings and conquests to the south.

The idea should not for a moment be entertained that the failure of the Japanese forces in China has discouraged the Japanese people. It has instead served to steel them for still greater

sacrifices and to prepare them better for the war to the death upon which they have finally embarked. As the realization came home to them of the need for greater and greater efforts, they accepted the inevitable war-footing reorganization of the country's life with characteristic calmness and determination.

Probably no other factor has contributed more heavily to the preliminary victories achieved by the Japanese in this war than the offensive spirit which permeates all the armed forces of the Empire. This spirit, recognized by competent military men as the most vital intangible factor in achieving victory, has been nourished and perpetuated since the foundation of the modern Japanese Army. The Japanese High Command has counted implicitly upon the advantages this would give them over less aggressive enemies. They have put great store in what they consider to be the white man's flabbiness. They look upon us Americans as constitutional weaklings, demanding our daily comforts and unwilling to make the sacrifices demanded for victory in a war against a military machine which has prepared and trained itself in Spartan simplicity and the hardness and toughness demanded by war. They attach great importance to the former disunity in the United States over the war issue, and they still count on an appreciable interval before an aroused nation can find itself and develop a fighting spirit of its own. By that time, they feel, Japan will be in complete control of all East Asia. When they struck they made no provision for failure; they left no road open for retreat. They struck with all the force and power at their command. And they will continue to fight in the same manner until they are utterly crushed.

We shall crush that machine and caste and system in due course, but if we Americans think that, collectively and individually, we can continue to lead our normal lives, leaving the spirit of self-sacrifice to our soldiers and sailors, letting the intensification of our production program take care of itself, we shall unquestionably risk the danger of a stalemate in this war of ours with Japan. I say this in the light of

my 10 years' experience in Japan, my knowledge of the power of the Japanese Army and Navy, and of the hardness and fighting spirit of the Japanese. I feel it my bounden duty to say this to my fellow countrymen. I know my own country even better than I know Japan, and I have not the slightest shadow of doubt of our eventual victory. But I do not wish to see the period of our blood, sweat, and tears indefinitely and unnecessarily prolonged. That period will be prolonged only if our people fail to realize the truth of what I have just said: that we are up against a powerful fighting machine, a people whose morale cannot and will not be broken even by successive defeats, who will certainly not be broken by economic hardships, people who individually and collectively will gladly sacrifice their lives for their Emperor and their nation, and who can be brought to earth only by physical defeat, by being ejected physically from the areas which they have temporarily conquered or by a progressive attrition of their naval power and merchant marine which will finally result in cutting off the homeland from all connection with and access to those outlying areas—by complete defeat in battle.

I need say no more. I have told you the truth as I see it from long experience and observation. I have come home with my associates in the Far East to join our war effort with yours and to realize, perhaps better than anyone else, that nothing less than the exertion of our maximum capacities, individually and collectively, in a war of offense will bring our beloved country safely through these deep waters to the longed-for haven of a victorious peace.

We are fighting this war for the preservation of righteousness, law, and order, but above all for the preservation of the freedoms which have been conferred upon us by the glorious heritage of our American citizenship and for these same freedoms in other countries of the United Nations; and while we are fighting against forces of evil, lawlessness, and disorder in the world, we are primarily fighting to prevent enslavement which actually threatens to be posed upon us if we fail. I am convinced

is not an overstatement. Surely ours is a
 se worth sacrificing for and living for and
 ng for if necessary. "Though love repine
 reason chafe, there came a voice without
 ly; 'tis man's perdition to be safe, when for
 truth he ought to die."

DECLARATION OF WAR BY BRAZIL ON GERMANY AND ITALY

Released to the press August 26]

The translation of a telegram received by the
 Secretary of State from His Excellency Oswaldo
 Aranha, Minister of Foreign Relations of Bra-
 zil, follows:

"AUGUST 25, 1942.

I thank Your Excellency for your telegram
 for your generous statements.¹ Once more
 countries find themselves united as, after all,
 they invariably [and] always were, in the de-
 fense of the noble ideals which constitute the
 common moral heritage of the peoples of this
 hemisphere. Once more our peoples gather
 in strength, their unbreakable faith in the im-
 mortal principles of right and of justice for the
 cause of the great American family and of
 human dignity itself. The people and the au-
 thorities of Brazil have serene confidence in the
 cause which together we defend and face this
 critical hour of humanity with manly courage
 and inflexible determination. I am deeply
 grateful to Your Excellency for the noble senti-
 ments which you were kind enough to express to

I renew to Your Excellency the assurances
 of my deepest respect and of my great personal
 esteem.

OSWALDO ARANHA"

Australasia

VISIT TO WASHINGTON OF THE NEW ZEALAND PRIME MINISTER

Released to the press August 25]

The Right Honorable Peter Fraser, Prime
 Minister of New Zealand, will arrive at the

Bulletin of August 22, 1942, p. 711.

National Airport, Washington, D.C., on Au-
 gust 26 for a brief visit in the United States.
 He will be a guest of the President at the White
 House for the night, following which he will go
 to the Blair House, where he will reside for the
 remainder of his stay in Washington.

The Prime Minister will be met upon arrival
 by the Secretary of State, the Honorable Walter
 Nash, Minister of New Zealand, and other offi-
 cials of the Government.

The Honorable Patrick J. Hurley, American
 Minister to New Zealand, is accompanying the
 Prime Minister.

American Republics

RUBBER AGREEMENT WITH EL SALVADOR

[Released to the press August 24]

The signing of a rubber agreement with the
 Republic of El Salvador was announced on Au-
 gust 24 by the Department of State, the Rubber
 Reserve Company, and the Board of Economic
 Warfare.

Under the terms of the agreement, the Rubber
 Reserve Company will purchase, until December
 31, 1946, all rubber produced in El Salvador
 which is not required for essential domestic
 needs.

NATIONAL ANNIVERSARY OF URUGUAY

[Released to the press August 25]

The text of a telegram from the President of
 the United States to His Excellency General
 Alfredo Baldomir, President of the Oriental Re-
 public of Uruguay, on the occasion of the anni-
 versary of the declaration of the independence
 of Uruguay, follows:

"THE WHITE HOUSE, August 25, 1942.

"On this anniversary of the declaration of the
 independence of Uruguay, I am afforded a wel-
 come opportunity not only of expressing to Your
 Excellency my cordial best wishes for the future
 progress and prosperity of your admirable coun-

try, but at the same time of thanking Your Excellency and the Government and people of Uruguay for the wholehearted cooperation and support which they have extended to the cause to the success of which the free nations of the world are pledged. During the past year particularly the friendship between Uruguay and the United States, based as it is upon similar traditions and ideals, has been greatly strengthened by the fact that our two peoples have achieved a common understanding of the challenge of those who would enslave the world and have shown a common determination to meet that challenge.

"Please accept [etc.]

FRANKLIN D ROOSEVELT"

International Conferences, Commissions, Etc.

ELEVENTH PAN AMERICAN SANITARY CONFERENCE

[Released to the press August 26]

This Government has accepted the invitation of the Brazilian Government to be represented officially at the Eleventh Pan American Sanitary Conference, which will be held at Rio de Janeiro from September 7 to September 18, 1942. With the approval of the President, the following Delegation will represent the United States of America at the Conference:

- Surgeon General Thomas Parran, Public Health Service, *chairman*
- Dr. E. L. Bishop, Director of Health, Tennessee Valley Authority
- Surgeon G. L. Dunahoo, Public Health Service, Chief of the Quarantine Office at the Port of Miami, Miami, Fla.
- Dr. George C. Dunham, Director, Health and Sanitation Division, Office of the Coordinator of Inter-American Affairs; Brig. Gen., Medical Corps, United States Army
- Surgeon W. H. Sebrell, Jr., Public Health Service
- Capt. Charles S. Stephenson, Medical Corps, U.S.N., Bureau of Medicine and Surgery, United States Navy
- Dr. Abel Wolman, School of Public Health, Johns Hopkins University, Baltimore, Md.

Philip P. Williams, Third Secretary, American Embassy, Rio de Janeiro, Brazil; *secretary*

The periodic Pan American Sanitary Conferences have a supervisory responsibility over the Pan American Sanitary Bureau, which is the central coordinating agency for public health in the Western Hemisphere. The forthcoming Conference will consider sanitation and health problems affecting the 21 American republics in the light of war conditions.

Treaty Information

LABOR

Convention Concerning Statistics of Wages and Hours of Work in the Principal Mining and Manufacturing Industries, Including Building and Construction, and in Agriculture

Mexico

According to a circular letter from the League of Nations dated July 24, 1942 the ratification by Mexico of the Convention Concerning Statistics of Wages and Hours of Work in Principal Mining and Manufacturing Industries, Including Building and Construction, and in Agriculture, adopted on June 20, 1938 by the International Labor Conference at its twenty-fourth session, was registered with the Secretariat on July 16, 1942.

The convention has been ratified by the following countries: Australia, Denmark, Egypt, Mexico, Netherlands, New Zealand, Norway, Sweden, Switzerland, and Union of South Africa.

COMMERCE

Inter-American Coffee Agreement

An announcement regarding the termination of Executive Order 8863, which allocated for the present quota-year the quota provided by article VII of the Inter-American Coffee Agreement (signed at Washington November 28, 1940)

nted as Treaty Series 970) for countries not
natories of the agreement, and the decision
to allocate the non-signatory quota for the
r beginning October 1, 1942, appeared in the
Bulletin for July 18, 1942 on page 635.

The Bureau of Customs has announced that
beginning September 1, 1942 provisions will be
made at customs ports of entry to permit im-
ports to present entries for consumption cover-
ing coffee produced in countries not signatories
of the agreement.

No order will be issued allocating the non-
signatory quota for the year beginning October
1, 1942. The unexhausted portion of the quota
of August 15, 1942 was said to be approxi-
mately 15,000,000 pounds.

STRATEGIC MATERIALS

Agreement With Brazil

According to an announcement from the
Bureau of Economic Warfare an agreement has
been entered into with Brazil for the purchase
of the Commodity Credit Corporation of the
exportable surplus of Brazilian babassu
castor oil. The oil stocks will replace tung
cocoanut oil formerly imported from the
Southwest Pacific. The agreement provides that
shipping is not available within 30 days
and the stocks are offered for sale the Corpo-
ration will pay the agreed prices and store the
oil in warehouses.

Rubber Agreement With El Salvador

An announcement concerning the signing of
a rubber agreement with the Republic of El
Salvador appears in this *Bulletin* under the
heading "American Republics".

The Department

APPOINTMENTS

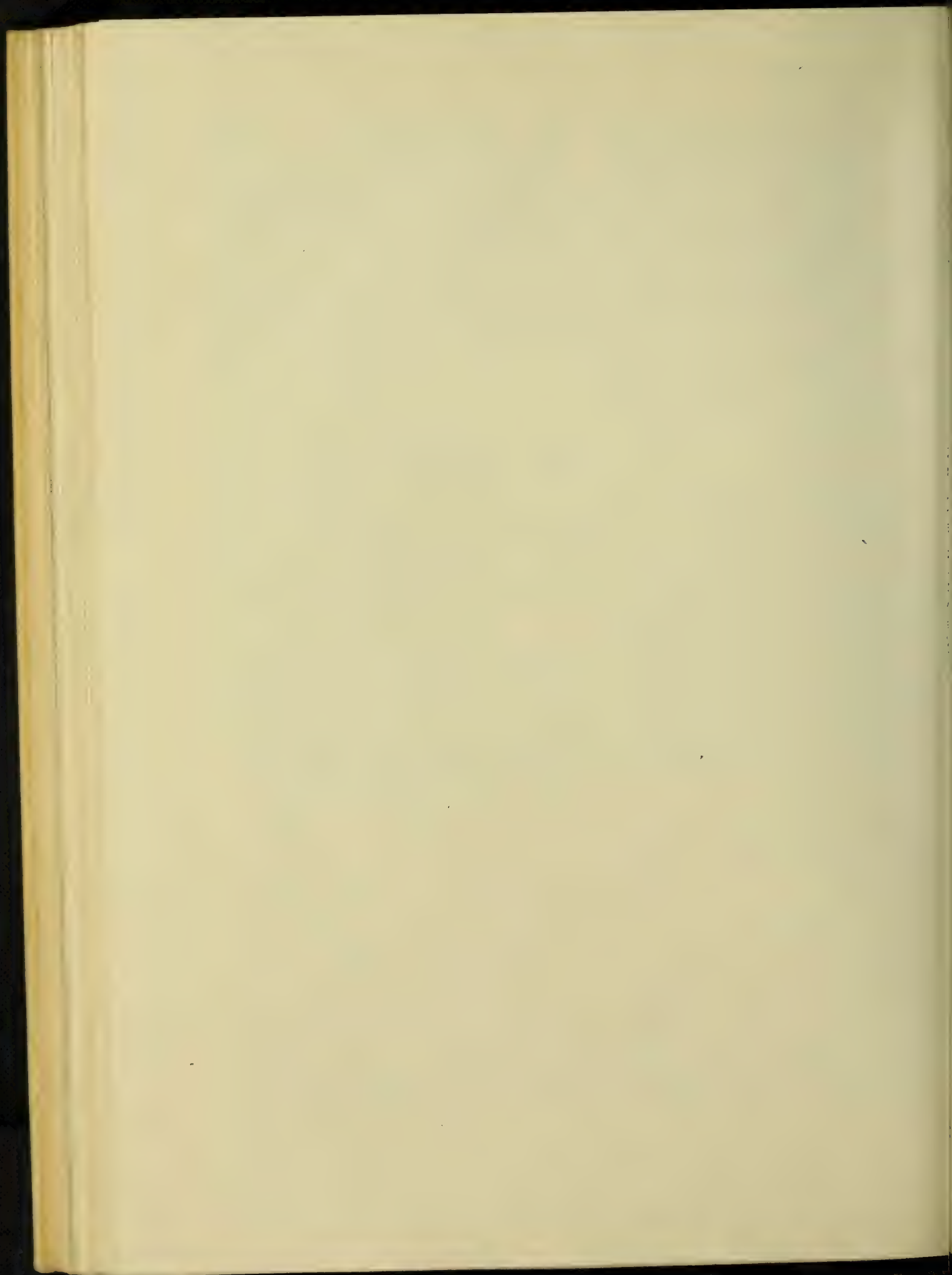
Mr. Edward Yardley was designated Special
Assistant and Executive Secretary to the Com-
mittee for Reciprocity Information, effective
August 27, 1942 (Departmental Order 1084).

Publications

DEPARTMENT OF STATE

Military Highway to Alaska: Agreement Between the
United States of America and Canada—Effectuated by
exchange of notes signed March 17 and 18, 1942.
Executive Agreement Series 246. Publication 1783.
5 pp. 5¢.

Double Taxation: Convention and Protocol Between
the United States of America and Canada—Signed at
Washington March 4, 1942; proclaimed June 17, 1942.
Treaty Series 983. 13 pp. 5¢.



Ref.

THE DEPARTMENT OF STATE BULLETIN

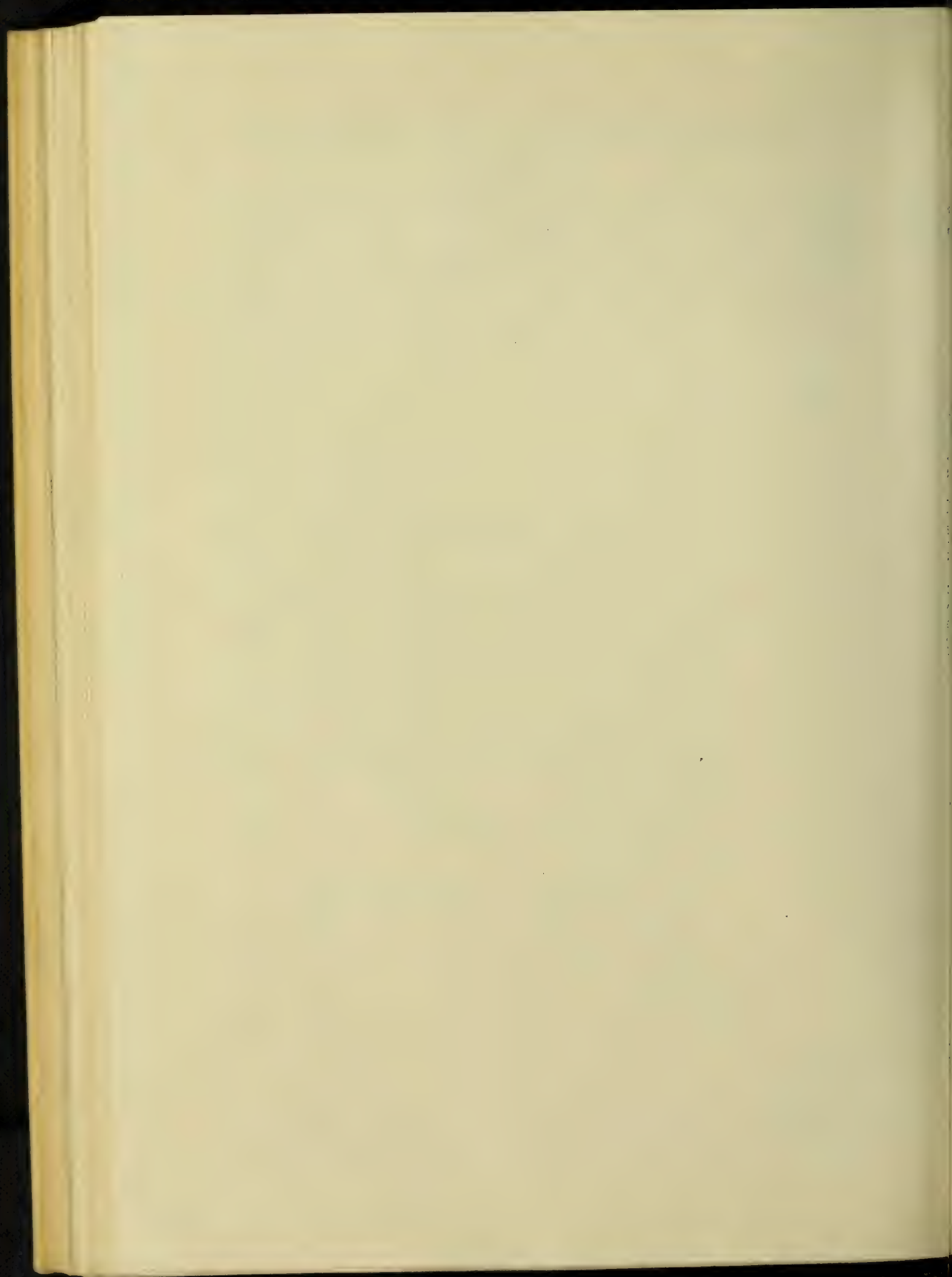
SEPTEMBER 5, 1942

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he War

ADDRESS BY THE PRESIDENT TO THE INTERNATIONAL STUDENT ASSEMBLY ¹

ased to the press by the White House September 3]

may interest the members of this Assembly
the International Student Service that dur-
the past week the Axis radio has given un-
comment to your sessions and to the speech
h you are hearing at this moment.

ur listening stations have picked up an in-
ing volume of Axis broadcasts, including
rolled stations in France, Hungary, the
erlands, and elsewhere, referring to this
ing of the younger generation from all the
ed Nations in terms of growing hate and,
ourse, complete falsehood. Our listening
ons report that they expect that at this mo-
the air in all Axis-dominated nations will
oroughly jammed—blackened out—in order
no sound of what I am saying, either in
ish or in translation, will be heard by any
ess young people who are under Hitler's

he Nazi radio in Paris, for example, tells the
h of France that Roosevelt was solely re-
sible for the defeat of France, that Roose-
is not qualified to address a message to the
h of the world because America is a nation
has done nothing for youth.

rlin reports that four French youth organi-
ns have protested in advance against this
h, since Roosevelt must be blamed for the
n of more than 100,000 young Frenchmen.
mentally, it would be interesting to know
many real Frenchmen there are in these
lled French youth organizations.

roadcast on September 3 in connection with the
ational Student Assembly, in session at Washing-
D. C., September 2-5, 1942.

A radio in Tokyo says that I am admitting
to you at this moment that my people are de-
cadent—weaklings—playboys—spoiled by jazz
music and Hollywood pictures. Of course, this
broadcast did not originate from any of the
Japanese who bumped into our playboys in the
Southwest Pacific.

The reason for this hysterically defensive at-
titude toward this gathering is not hard to find.
For many years they have made their hypocrit-
ical appeal to youth; they have tried, with all
their blatant publicity, to represent themselves
as the champions of youth.

But now the world knows that the Nazis, the
Fascists, and the militarists of Japan have noth-
ing to offer to youth except death.

On the other hand, the cause of the United
Nations is the cause of youth itself. It is the
hope of the new generation and the generations
that are to come—hope for a new life that can
be lived in freedom and justice and decency.

This fact is becoming clearer every day to
the young people of Europe, where the Nazis
are trying to create youth organizations built
on the Nazi pattern. It is not a pattern devised
by youth for youth. It is a pattern devised by
Hitler and imposed upon youth by a form of
mental forcible feeding—a diet of false facts,
distortions, and prohibitions—all backed up by
the guns of the Gestapo.

If you have any doubt as to what the decent
youth of Europe think about the false promises
the Axis masters make to the young people of
the world, look to the brave young men of
France and all the occupied countries who pre-
fer to face the firing squads rather than a life-
time of slavery and degradation under Hitler.

In such unfortunate countries as Finland, Hungary, Bulgaria, Rumania, and Italy, whose Governments have found it necessary to submit to Hitler and do his bidding, the Quislings have organized youth movements too—but these are only movements of youth by the tens of thousands to the slaughter of the Eastern front, where the Nazis need cannon-fodder in their desperate attempts to shatter the stalwart Russian Army.

In China heroic youth has stood steadfast for more than five years against all of Japan's attempts to seduce and disarm them with such transparent lies as the promise of "Asia for the Asiatics". For the Chinese know that this only means "all of creation enslaved by the Japanese".

We exult in the thought that it is the young, free men and women of the United Nations and not the wound-up robots of the slave states who will mold the shape of the new world.

The delegates to this International Student Assembly represent the 29 United Nations. They also represent, in spirit at least, the younger generation of many other nations who, though they are not now actively at war on our side, are with us heart and soul in aspiration for a secure and peaceful world.

Before the first World War very few people in any country believed that youth had the right to speak for itself as a group or to participate in councils of state.

We have learned much since then. We know that wisdom does not come necessarily with years, that old men may be foolish and young men may be wise. But in every war it is the younger generation which bears the burden of combat and inherits all the ills that war leaves in its wake.

In the economic crises that followed the false prosperity after the first World War, many young men and women suffered even more than did their elders. For they were denied the primary opportunities for education, for training, for work, or even for food enough to build up healthy bodies. As a result, they were tempted to seek some simple remedy not only

for their own individual problems but for the problems that beset the world. Some listened to alien, siren voices which offered answers to all the questions. "Democracy is dead", said these voices. "Follow us, and we will teach you efficiency. We will lead you to world conquest. We will give you power over inferior races. And all that we ask you to give in return is your freedom."

Other young people in the democracies listened to gospels of despair. They sought refuge in cynicism and bitterness.

However, the day finally came when theory had to give way to fact—the terrible, tangible fact of dive bombers, panzer divisions, the actual threat to the security of every nation and every family in every free country in the world. And when that fact became clear to our youth they answered the call to arms—millions of them; and today they are determined to fight until the forces of aggression have been utterly destroyed.

What I am saying here in Washington is being heard by several million American soldiers, sailors, and marines, not only within the continental limits of the United States but in far-distant points: in Canada and South America, in the islands of the Atlantic, in Britain and Ireland, on the coast of Africa, in Egypt, in Iraq and Iran, in Russia, India, in China, in Australia, in New Zealand, in many islands of the Pacific, and on all the seas of the world. There—in all those places—are our fighting men.

And to them I should like to deliver a special message, from their Commander in Chief, from the very hearts of their countrymen.

You young Americans today are conducting yourselves in a manner that is worthy of the highest, proudest traditions of our Nation.

No pilgrims who landed on the unexplored New England coast, no pioneers who blazed their way through the trackless wilderness showed greater fortitude, greater determination than you are showing now.

Neither your own fathers, in 1918, nor your fathers' fathers, in 1863 or 1776, fought

ater gallantry or more selfless devotion to
y and country than you are now displaying
battlefields far from home.

nd what is more, you know why you are
ting. You know that the road which has
you to the Solomon Islands or to the Red
or to the coast of France is in fact an ex-
ion of Main Street, and that when you fight,
where along that road, you are fighting in
defense of your own homes, your own free
ols, your own churches, your own ideals.

e here at home are supremely conscious of
obligations to you, now and in the future.
will not let you down.

e know that in the minds of many of you
thoughts of interrupted education, inter-
ed careers, delayed opportunities for getting
b. The solution of such problems cannot
ft, as it was last time, to mere chance. This
ernment has accepted the responsibility for
g to it that, wherever possible, work has
provided for those who were willing and
but who could not find work. That re-
sibility will continue after the war. And
n you come home we do not propose to in-
e you, as last time, in a domestic economic
of our own making.

ou are doing first things first—fighting to
this war. For you know that should this
be lost all our plans for the peace to follow
d be meaningless.

ctory is essential; but victory is not enough
ou—or for us. We must be sure that when
have won victory you will not have to tell
children that you fought in vain—that you
betrayed. We must be sure that in your
es there will not be want, that in your
ols only the living truth will be taught, that
ur churches there may be preached without
a faith in which men may deeply believe.

e better world for which you fight—and for
h some of you give your lives—will not
merely because we shall have won the war.
ll not come merely because we wish very
that it would come. It will be made pos-
only by bold vision, intelligent planning,
hard work. It cannot be brought about

overnight but only by years of effort and perse-
verance and unfaltering faith.

You young soldiers and sailors, farmers and
factory workers, artists and scholars, who are
fighting our way to victory now, all of you will
have to take your part in shaping that world.
You will earn it by what you do now; but you
will not attain it if you leave the job for others
to do alone. When you lay aside your gun at
the end of the war, you cannot at the same time
lay aside your duty to the future.

What I have said to our American soldiers
and sailors applies to all the young men and
women of the United Nations who are facing our
common enemies. There is a complete unanim-
ity of spirit among all the youth of all kinds
and kindreds who fight to preserve or to regain
their freedom.

In Norway and Holland, Belgium and France,
Czechoslovakia and Poland, Serbia and Greece
there is a fighting spirit that defies the harsh
oppression, the barbarous cruelty and terrorism
of the Nazis. Although disarmed, the uncon-
querable people still strike at their oppressors.
Although forbidden to know the truth, they lis-
ten at the risk of their lives to radio broadcasts
from afar; and, by word of mouth and by secret
newspaper passed from one patriot to another,
they still spread the truth. When the time
comes for these peoples to rise, Hitler's "new
order" will be destroyed by the hands of its own
victims.

Today the embattled youth of Russia and
China are realizing a new individual dignity,
casting off the last links of the ancient chains of
imperial despotism which had bound them so
long.

This is a development of historic importance.
It means that the old term "Western Civiliza-
tion" no longer applies. World events and the
common needs of all humanity are joining the
culture of Asia with the culture of Europe and
of the Americas to form for the first time a real
world civilization.

In the concept of the Four Freedoms, in the
basic principles of the Atlantic Charter, we

have set for ourselves high goals, unlimited objectives.

These concepts and these principles are designed to form a world in which men, women, and children can live in freedom and in equity and, above all, without fear of the horrors of war. For no soldiers or sailors in any of our forces today would so willingly endure the rigors of battle if they thought that in another 20 years their own sons would be fighting still another war on distant deserts or seas or in far-away jungles or skies.

We have profited by our past mistakes. This time we shall know how to make full use of victory. This time the achievements of our fighting forces will not be thrown away by political cynicism and timidity and incompetence.

There is still a handful of men and women in the United States and elsewhere who mock and sneer at the Four Freedoms and the Atlantic Charter. They are few in number, but some of them have the financial power to give our enemies the false impression that they have a large following among our citizenry. They play petty politics in a world crisis. They fiddle with many sour notes while civilization burns. These puny prophets decry our determination to implement our high concepts and sound principles. And the words of these little men of little faith are quoted with gleeful approval by the press and radio of our enemies.

We are deeply aware that we cannot achieve our goals easily. We cannot attain the fulfillment of all our ideals overnight. We know that this is to be a long and hard and bitter fight—that there will still be an enormous job for us to do long after the last German, Japanese, or Italian bombing planes have been shot to earth.

But we do believe that with divine guidance we can make—in this dark world of today and in the new post-war world—a steady progress toward the highest goals that men have ever imagined.

We of the United Nations have the technical means, the physical resources, and, most of all, the adventurous courage and the vision and the will that are needed to build and sustain a new kind of world order which alone can justify the tremendous sacrifices now being made by our youth.

But we must keep at it; we must never give up; we must never falter, never fear; and we must keep our faith together.

We must maintain the offensive against evil in all its forms. We must work and we must fight to insure that our children shall have and enjoy in peace their inalienable rights to freedom of speech, freedom of religion, freedom from want, freedom from fear.

Only on those bold terms can this total victory result in total victory.

THIRD ANNIVERSARY OF THE GERMAN ATTACK ON POLAND

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TO THE PRESIDENT OF POLAND

[Released to the press August 31]

The American Ambassador to the Polish Government in London has been instructed to deliver the following message from the President of the United States to the President of Poland on August 31, 1942, the anniversary of the German attack on Poland:

"On this the Third Anniversary of the unprovoked and wanton attack by the Nazi hordes on your country I express to you on behalf of the American people and myself the deep admiration

felt by freedom-loving peoples for your courage, fortitude and indomitable spirit shown by your countrymen during this trying period.

"The forces of ruthless aggression unleashed by Hitler three years ago are now opposed by the overwhelming might of all the United Nations. Their combined efforts in the common cause to which Poland is making such contributions assure victory and the liberation of oppressed peoples under a just and enduring peace."

RADIO ADDRESS BY ASSISTANT SECRETARY BERLE¹

Released to the press September 21

Before dawn on the first of September 1939 the German divisions crossed the Polish frontier. At that moment the war fires which had been kindled by the Axis throughout the world burst into flame.

The attack was well prepared. Lies about Poland, and particularly about Polish treatment of Germans, had been prepared in all forms and were being systematically circulated not only in Europe but in North and South America as well. The German General Staff had advised Hitler that the Polish campaign would be only "a body promenade". Arrangements were made for a campaign of killing and torture, and these were to be put into pictures so that the pictures, circulated also in North and South America, might strike fear into the hearts of any people which thought of resisting the German arms. Three years ago, this day, the plan was put into execution.

It is true that Hitler had given his solemn pledge that the Polish frontier should be inviolate. It is true he had promised to Poland everlasting friendship. It is true that he had assured the world that he had no intention or desire to make war or to seize territory. He had made these false pledges and these promises at the very moment that his agents were planning to seize and to enslave the entire Polish people. More than that: the Nazis included and now include a list of peoples throughout the world who were to be slaves or servants of Nazi masters. In that list were not only European peoples but peoples of North and South America. The free citizens of free countries, European and American, the Nazi rule assigned particular grades of slavery. For instance, South Americans were supposed to be fit for field labor and house servants. This was, and still is, a part of the Nazi doctrine and the Nazi plan. Poland is the first great example.

But this plan failed to reckon with one great

broadcast in Spanish over the short-wave facilities of the National Broadcasting Company September 1,

human fact. A nation is undefeated as long as the soul of its people survives.

At the very moment when the German legions were reaping a bloody harvest on the Polish plain, the mills of the gods began to grind.

They ground courage in a people faced with impossible odds.

They ground hope out of despair. They ground out an iron resolve that these murdering oppressors should find no inch of Polish soil on which they could be safe.

The mills of the gods ground out the seed of a world-wide resistance and the resentment of a world-wide horror. First England, then other nations, took up arms. They ground the slow accumulation of a terrible force which has grown in three years to a great army of nations. They have ground out a unity among free peoples, as each realizes that the freedom of one is essential to the safety of all.

They have begun to grind the great plan of restitution. They have begun to make a design for a stronger world, in which there shall be freedom from fear and freedom from want.

On the Polish plain there is no defeat. It is sown with armed men who wait their time. It is sown with German dead and wounded from the Russian campaign. The work of justice is already begun.

This is not the first time in history that nations have attempted to bring about the death of Poland. Indomitable, she has risen again, stronger than before. From her example we who are also engaged in that common struggle must draw an iron determination to wipe tyranny out of the earth.

Our ancestors in the New World challenged the mightiest empires and made themselves free. To deserve that freedom, as to make ourselves safe, we must now make freedom universal.

An emblem of our certain victory must be the restitution of freedom to the deathless Poland—the Poland of history, the Poland of arts, the Poland of Chopin's music, the Poland of unconquerable soul.

AGREEMENTS FOR RECIPROCAL LEND-LEASE AID TO THE UNITED STATES AND ITS ARMED FORCES

[Released to the press September 3]

Agreements specifying the principles and procedures applicable to the provision of aid to the United States and its armed forces by the Governments of the United Kingdom, Australia, and New Zealand were concluded on September 3 by exchanges of notes between the Secretary of State and the British Ambassador, Lord Halifax; the Australian Minister, Sir Owen Dixon; and the New Zealand Minister, Mr. Walter Nash. A similar agreement concerning the provision of aid by Fighting France was concluded in London on September 3 by an exchange of notes between Brig. Gen. John E. Dahlquist, Acting Military Representative of the United States of America, and M. Maurice de Jean, representing the French National Committee. The texts of these documents are printed below.

These agreements formalize the principles and procedures applicable to the provision of aid to the armed forces of the United States by the other parties on the same terms as those under which the United States supplies aid to them in accordance with the provisions of the Lend-Lease Act. Each of them, without awaiting conclusion of a formal agreement, has been providing such aid on these terms as occasion required since the passage of the Lend-Lease Act. This aid is rapidly increasing in importance as the intensity of the American war effort increases in the various theaters of operations concerned.

Each of these agreements specifies that the general principle governing the provision of mutual aid is that the war production and war resources of each contracting party should be used in ways which most effectively utilize the available materials, manpower, production facilities, and shipping space. The agreements further specify that a maximum of the articles and services provided by each party to the other shall be in the form of reciprocal aid so that the need of each for the currency of the other may be reduced to a minimum. Each of the other parties agrees to provide the armed forces

of the United States with military equipment, munitions, military and naval stores, other supplies, materials, facilities, and services which they can most effectively be procured in their respective countries.

The agreements with the Governments of Australia and New Zealand also make applicable to their relations with this Government the principles of the agreement between the Governments of the United States and the United Kingdom on the principles applying to mutual aid, signed in Washington on February 23, 1942.¹

*Note From the British Ambassador to the
Secretary of State*

SIR:

In the United Nations declaration of January 1, 1942, the contracting governments pledged themselves to employ their full resources, military or economic, against those nations with which they are at war and in the Agreement of February 23, 1942, each contracting government undertook to provide the other with such articles, services, facilities or information as might be required in the prosecution of their common war undertaking as each may be in a position to supply. It is further the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that the general principle to be followed in providing mutual aid as set forth in the said Agreement of February 23, 1942, is that the war production and the resources of both Nations should be used by the armed forces of each and of the other United Nations in ways which most effectively utilize the available materials, manpower, production facilities and shipping space.

With a view, therefore, to supplementing Article 2 and Article 6 of the Agreement of February 23, 1942, between our two Governments, the provision of reciprocal aid, I have the honor to set forth below the understanding of the

¹ *Bulletin* of February 28, 1942, p. 190. Also printed as Executive Agreement Series 241.

Government of the United Kingdom of Great Britain and Northern Ireland of the principles and procedures applicable to the provision of aid by the Government of the United Kingdom of Great Britain and Northern Ireland to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

While each Government retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

As to financing the provision of such aid, in the fields mentioned below, it is the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that the general principle to be applied, the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services which each Government may authorize to be provided to the other shall be in the form of reciprocal aid so that the need of each Government for the services of the other may be reduced to a minimum.

It is accordingly the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941, the share of its war production made available to the United Kingdom. The Government of the United Kingdom will provide on the same terms as reciprocal aid so much of its war production made available to the United States as it authorizes in accordance with the Agreement of January 23, 1942.

The Government of the United Kingdom will provide the United States or its armed forces with the following types of assistance as reciprocal aid, when it is found that they can most effectively be procured in the United Kingdom or in the British Colonial Empire:

(a) Military equipment, munitions and military and naval stores.

(b) Other supplies, materials, facilities and services for the United States forces, except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Government of the United Kingdom as specified in paragraph 4.

(c) Supplies, materials and services needed in the construction of military projects, tasks and similar capital works required for the common war effort in the United Kingdom or in the British Colonial Empire, except for the wages and salaries of United States citizens.

(d) Supplies, materials and services needed in the construction of such military projects, tasks and capital works in territory other than the United Kingdom or the British Colonial Empire or territory of the United States to the extent that the United Kingdom or the British Colonial Empire is a more practicable source of supply than the United States or another of the United Nations.

4. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting when possible through their appropriate military or civilian administrative authorities. Requests by the United States Government for such aid will be presented by duly authorized authorities of the United States to official agencies of the United Kingdom which will be designated or established in London and in the areas where United States forces are located for the purpose of facilitating the provision of reciprocal aid.

5. It is the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that all such aid, as well as other aid, including information, received under Article 6 of the Agreement of February 23, 1942, accepted by the President of the United States or his authorized representa-

tives from the Government of the United Kingdom will be received as a benefit to the United States under the Act of March 11, 1941. In so far as circumstances will permit, appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter.

I have [etc.]

HALIFAX

Note From the Secretary of State to the British Ambassador

EXCELLENCY:

I have the honor to acknowledge the receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of the United Kingdom of Great Britain and Northern Ireland to the armed forces of the United States of America.

In reply I wish to inform you that the Government of the United States agrees with the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland as expressed in that note. In accordance with the suggestion contained therein, your note and this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept [etc.]

CORDELL HULL

Note From the Australian Minister to the Secretary of State

SIR:

As contracting parties to the United Nations Declaration of January 1, 1942, the Governments of the United States of America and the Commonwealth of Australia pledged themselves to employ their full resources, military and eco-

nomic, against those nations with which they are at war.

With regard to the arrangements for mutual aid between our two governments, I refer to the agreement signed at Washington on February 23, 1942 between the Governments of the United States of America and the United Kingdom, the principles applying to mutual aid in the present war authorized and provided for by the Act of Congress of March 11, 1941, and have the honor to inform you that the Government of the Commonwealth of Australia accepts the principles therein contained as governing the provision of mutual aid between itself and the Government of the United States of America.

It is the understanding of the Government of the Commonwealth of Australia that the general principle to be followed in providing such aid is that the war production and war resources of both nations should be used by the armed forces of each, in the ways which most effectively utilize available materials, manpower, production facilities and shipping space.

I now set forth the understanding of the Government of the Commonwealth of Australia of the principles and procedure applicable to the provision of aid by the Government of the Commonwealth of Australia to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

1. While each Government retains the right of final decision, in the light of its own particularities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

2. As to financing the provision of such aid within the fields mentioned below, it is my understanding that the general principles to be applied to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services which each Government may authorize to be provided to the other shall be in the form of reciprocity so that the need of each Government for the resources of the other may be reduced to a minimum.

It is accordingly my understanding that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941, the share of its war production made available to Australia. The Government of Australia will provide on the same terms and reciprocal aid so much of its war production made available to the United States as it authorizes in accordance with the principles enunciated in this note.

3. The Government of Australia will provide reciprocal aid the following types of assistance to the armed forces of the United States in Australia or its territories and in such other cases as may be determined by common agreement in the light of the development of the war:—

(a) Military equipment, ammunition and military and naval stores;

(b) Other supplies, material, facilities and services for the United States forces except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Australian Government as specified in paragraph 4.

(c) Supplies, materials and services needed for the construction of military projects, tasks and similar capital works required for the common war effort in Australia and in such other cases as may be determined, except for the wages and salaries of United States citizens.

4. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting when possible through their appropriate military or civilian administrative authorities. Requests by the United States Government for such aid will be presented by duly authorized authorities of the United States to official agencies of the Commonwealth of Australia which shall be designated or established in Canberra or in the areas where United States forces are

located for the purpose of facilitating the provision of reciprocal aid.

5. It is my understanding that all such aid accepted by the President of the United States or his authorized representatives from the Government of Australia will be received as a benefit to the United States under the Act of March 11, 1941. Insofar as circumstances will permit appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter.

I have [etc.]

OWEN DIXON

Note From the Secretary of State to the Australian Minister

SIR:

I have the honor to acknowledge receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of the Commonwealth of Australia to the armed forces of the United States of America.

In reply I have the honor to inform you that the Government of the United States of America likewise accepts the principles contained in the agreement of February 23, 1942 between it and the Government of the United Kingdom as governing the provision of mutual aid between the Governments of the United States and of the Commonwealth of Australia. My Government agrees with the understanding of the Government of the Commonwealth of Australia as expressed in your note of today's date, and, in accordance with the suggestion contained therein, your note and this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept [etc.]

CORDELL HULL

*Note From the New Zealand Minister to the
Secretary of State*

SIR:

As contracting parties to the United Nations Declaration of January 1, 1942, the Governments of the United States of America and New Zealand pledged themselves to employ their full resources, military and economic, against those nations with which they are at war.

In the Agreement of February 23, 1942, between the Governments of the United Kingdom and of the United States of America, the provisions and principles of which the Government of New Zealand considers applicable to its relations with the Government of the United States, each contracting Government undertook to provide the other with such articles, services, facilities or information useful in the prosecution of their common war undertaking as each may be in a position to supply.

It is the understanding of the Government of New Zealand that the general principle to be followed in providing such aid is that the war production and war resources of both nations should be used by each, in the ways which most effectively utilize available materials, manpower, production facilities and shipping space.

I now set forth the understanding of the Government of New Zealand of the principles and procedure applicable to the provision of aid by the Government of New Zealand to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

1. While each Government retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

2. As to financing the provision of such aid, within the fields mentioned below, it is my understanding that the general principle to be applied, to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services to be pro-

vided by each Government to the other shall be in the form of reciprocal aid so that the need of each Government for the currency of the other may be reduced to a minimum.

It is accordingly my understanding that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 1, 1941, the share of its production made available to New Zealand. The Government of New Zealand will provide on the same terms and reciprocal aid so much of its production made available to the United States as it authorizes in accordance with the principles enunciated in this note.

3. The Government of New Zealand will provide the United States or its armed forces with the following types of assistance, as such reciprocal aid, when it is found that they can most effectively be procured in New Zealand.

(a) Military equipment, munitions and military and naval stores;

(b) Other supplies, materials, facilities and services for the United States forces, except the pay and allowance of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Government of New Zealand as specified in Paragraph 4.

(c) Supplies, materials and services needed in the construction of military projects, tasks and similar capital works required for the common war effort in New Zealand, except for the wages and salaries of United States citizens.

(d) Supplies, materials and services needed in the construction of such military projects, tasks and capital works in territory other than New Zealand or territory of the United States to the extent that New Zealand is a more practicable source of supply than the United States or another of the United Nations.

4. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting

when possible through their appropriate military or civilian administrative authorities.

5. It is my understanding that all such aid accepted by the President of the United States through his authorized representatives from the Government of New Zealand will be received as benefit to the United States under the Act of March 11, 1941. In so far as circumstances will permit, appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter. I have [etc.]

WALTER NASH

Note From the Secretary of State to the New Zealand Minister

I have the honor to acknowledge receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of New Zealand to the armed forces of the United States of America.

In reply I have the honor to inform you that the Government of the United States of America likewise considers the provisions and principles contained in the agreement of February 1942 between it and the Government of the United Kingdom as applicable to its relations with the Government of New Zealand. My Government agrees with the understanding of the Government of New Zealand as expressed in your note of today's date, and, in accordance with the suggestion contained therein, your note in this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

I accept [etc.]

CORDELL HULL

Note From the French National Committee to the Acting Military Representative of the United States

The French National Committee sets forth below its understanding of the principles governing the provision of reciprocal aid by the United States of America to Fighting France and by Fighting France to the United States:

1. The United States of America will continue to supply Fighting France with such defense articles, defense services, and defense information as the President shall authorize to be transferred or provided.

2. Fighting France will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

3. The fundamental principle to be followed in providing such aid is that the war production and war resources of Fighting France and of the United States of America should be used by the armed forces of each in the ways which most effectively utilize available materials, manpower, production facilities and shipping space. While each retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

4. As to financing the provision of such aid, within the fields mentioned below, it is the Committee's understanding that the general principle to be applied, to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services to be provided by each to the other shall be in the form of reciprocal aid.

It is accordingly the Committee's understanding that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941, the share of its war production made available to Fighting France. Fighting France will provide on the same terms and as reciprocal aid so much of its war production

made available to the United States as it authorizes in accordance with the principles enunciated in this note.

5. Within the territories under the control of Fighting France, or within the same theater of operations, the National Committee will provide the United States or its armed forces with the following types of assistance, as such reciprocal aid, when it is found that they can most effectively be procured in territory under the control of Fighting France:

(a) Military equipment, munitions and military and naval stores;

(b) Other supplies, materials, facilities and services for the United States forces, except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of Fighting France as specified in paragraph 6.

(c) Supplies, materials and services, except for the wages and salaries of United States citizens, needed in the construction of military projects, tasks and similar capital works required for the common war effort in territory under the control of Fighting France, or in the same theater of operations, to the extent that such territory is the most practicable source of supply.

6. The practical application of the principles formulated in this note, including the procedure by which requests for aid are made and acted upon, shall be worked out by agreement as occasion may require through the appropriate military or civilian administrative authorities. Requests by the United States forces for such aid will be presented by their duly authorized authorities to official agencies of Fighting France which will be designated or established in the areas where United States forces are located for the purpose of facilitating the provision of reciprocal aid.

7. It is the Committee's understanding that all such aid accepted by the President of the United States or his authorized representatives from Fighting France will be received as a benefit to the United States under the Act of

March 11, 1941. In so far as circumstances will permit, appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept on each.

If the Government of the United States occurs in the foregoing, the present note and reply to that effect will be regarded as placed on record the understanding in this matter.

Note From the Acting Military Representative of the United States to the French National Committee

The Government of the United States of America agrees with the understanding of the National Committee, as expressed in the English text of the Committee's note of today, concerning the principles and procedure applicable to the provision of aid by Fighting France to the armed forces of the United States of America and, in accordance with the suggestion contained therein, that note and this reply will be regarded as placing on record the understanding in this matter.

UNITED STATES TECHNICAL MISSION TO BRAZIL

[Released to the press by the White House September 21]

The President announced on September 21 a special United States technical mission of industrial engineers, headed by Morris Llewellyn Cooke, will leave soon for Brazil to cooperate with experts of that country in developing Brazilian industry and war production.

At the request of the Brazilian Government the mission has been organized by the Board of Economic Warfare, the Department of State and the War Production Board. The general plan of the cooperative mission was agreed upon several weeks ago, and a group of Brazilian industrial experts has already been selected to work with the United States technicians. The scope and urgency of their work have been considerably increased as a result of Brazil's declaration of war against Germany and Italy.

The basic objectives of the mission are: (a) to increase local production of essential products, especially those which formerly were imported from the United States, in order to save shipping space; (b) to convert local industries to the use of substitute raw materials, replacing supplies ordinarily imported; (c) to maintain and improve transportation facilities; and (d) to lay the foundation for a long-range strengthening of Brazil's whole industrial economy. The program will be directed toward a further increase in Brazil's already important contribution of vital materials for her own and the United Nations' joint war effort.

Large shipments of machinery and plant equipment will not be involved in the development program. It will be based largely on practical recommendations for the application of mass-production methods and modern industrial techniques, in addition to adjustment and conversion measures.

Fuel and power are primary problems in the Brazilian industrialization program. The mission will consider measures to increase Brazil's power production or to convert its plants to alternative fuels. Expansion of existing ore-

reduction plants in Brazil will be studied, with the purpose of releasing considerable equipment in the United Nations and at the same time saving thousands of tons of vital shipping space. Textile and other general manufacturing plants will be surveyed in an effort to use Brazil's surplus textile fibers and to increase production of essential consumer goods. These and many other specific problems will be considered in the general program.

Morris Llewellyn Cooke, who will direct the United States mission, is an outstanding industrial engineer with an unusually wide range of practical experience. He has served as chairman of the Mississippi Valley Commission and of the Great Plains Commission. He was Administrator of the Rural Electrification Administration from 1935 to 1937. In 1941 Mr. Cooke was named by the President as expert for the evaluation of the United States petroleum properties expropriated by Mexico.

Through the facilities of the Brazilian Inter-American Development Commission, the Office of the Coordinator of Inter-American Affairs will cooperate in the development of an enlarged force of trained workers to man Brazil's expanding war production program.

RELIEF FOR AMERICAN PRISONERS OF WAR HELD BY JAPAN

[Released to the press August 31]

The following message concerning relief for prisoners of war held by Japan has been transmitted by the Acting Secretary of State to the Japanese Government through the Swiss authorities:

"1. The Japanese Government has agreed to comply the provisions of the Geneva Prisoners of War Convention of 1929 to American prisoners of war and civilian internees. Article of that Convention provides for the receipt of prisoners of supplies of food and clothing supplemental to those which it is the duty of the detaining power to furnish, in as much as states that prisoners shall be allowed to re-

ceive parcels intended to supply them with food or clothing. It further states that such parcels shall be delivered to the prisoners.

"2. The American Red Cross assumed that the Japanese Government would grant safe conduct for a Red Cross ship to transport supplemental supplies of food and clothing destined to American and other prisoners of war and civilian internees in Japanese custody as German and Italian Governments have done and are continuing to do for supplies being sent for prisoners and internees in their custody. Accordingly, the American Red Cross chartered the neutral Swedish motorship *Kanangoora* to carry such supplies and the ship

is now ready to sail from San Francisco with the supplies. It is to be operated by the International Red Cross Committee, a representative of which, who will be a citizen of a neutral country, will be the only person on board besides the Swedish citizens composing the crew.

"3. The American Red Cross has requested, through the channels of the International Red Cross Committee, the consent of the Japanese Government for the voyage of the ship to Manila via Kobe, Shanghai and Hong Kong, with the supplies. The United States Government also has officially asked for that consent through the channels of the Swiss Government representing the interests of the United States in Japan. Through both channels the Japanese Government has now replied refusing such consent. It states that it does not object, however, to such shipments on vessels exchanging Japanese and United States nationals at Lourenço Marques.

"4. The motorship *Gripsholm* used by the United States Government in the exchange of Japanese and Americans at Lourenço Marques does not have sufficient cargo carrying capacity to transport the amount of supplies which it is desired to send to prisoners and internees in the Far East. Moreover, the exchange ship does not provide a means of continued transportation of such supplies. Additional shipping must therefore be employed if the prisoners and internees are to receive supplementary supplies as provided for by the Convention.

"5. If the Japanese Government will not permit the *Kanangoora* to proceed on its proposed voyage to the Far East with the supplies in question, then the United States Government proposes that the Japanese Government agree that the *Kanangoora* or other Red Cross ship shall proceed from the United States with the supplies to Macau or to Lourenço Marques, to which port the Japanese Government will similarly send a Red Cross ship to receive the supplies and transport them for delivery to the prisoners and internees. The United States Government desires to point out in this connection

that it is incumbent upon the Japanese Government to facilitate by whatever means may be available, the delivery of parcels intended for prisoners in fulfillment of the obligation of the detaining power to allow prisoners to receive parcels and to deliver the parcels to them as provided by Article 37 of the Geneva Convention. The United States Government, while looking to the Japanese Government to fulfill its obligations under the Convention in this matter, is fully conscious of its own obligations thereunder."

RADIO ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN

The Department of State, on August 31, 1942, issued as press release no. 430 the text of a radio address by the Honorable Joseph C. Gurnea, former American Ambassador to Japan, which was broadcast on August 30, 1942. As the text of this address was available before last week's issue of the *Bulletin* went to press, it was included in that issue, beginning on page 719.

PROCLAIMED LIST: SUPPLEMENT I TO REVISION III

[Released to the press August 31]

The Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs, on August 10, 1942, issued Supplement 1 to Revision III of the Proclaimed List of Certain Blocked Nations promulgated August 10, 1942.¹

Part I of this supplement contains 296 additional listings in the other American republics and 45 deletions. Part II contains 216 additional listings outside the American republics and 27 deletions.

With the issuance of this supplement the Proclaimed List of Certain Blocked Nations

¹ 7 *Federal Register* 6847.

has been extended to include certain cases in Spanish Morocco and Tangier International zone.

International Conferences, Commissions, Etc.

INTER-AMERICAN CONGRESS ON SOCIAL PLANNING

Referred to the press September 11

This Government has accepted the invitation of the Chilean Government to be represented at the Inter-American Congress on Social Planning, which will be held at Santiago, Chile, September 10-16, 1942. The President has approved the designation of the following delegation to represent the United States at the Congress:

Delegates:
Arthur J. Altmeyer, Ph.D., Chairman, Social Security Board, Federal Security Agency; *chairman of the delegation*

Ford Hinrichs, Ph.D., Acting Commissioner, Bureau of Labor Statistics, Department of Labor
George St. J. Perrott, Chief, Division of Public Health Methods, National Institute of Health, Public Health Service

William Rieve, President of the Textile Workers of America, and Vice President of the Congress of Industrial Organizations, Washington, D. C.

Technical Adviser:
Gilbert Cohen, Technical Adviser to the Social Security Board, Federal Security Agency

Secretaries:
William M. Clark, Ph.D., Director, Emergency Rehabilitation Division, Office of the Coordinator of Inter-American Affairs
Eldon T. Mills, Second Secretary, American Embassy, Santiago, Chile

The forthcoming Congress will give attention to broad questions of social planning, particularly the organization and administration of social-security systems and a review of desirable facilities to be made available to beneficiaries.

The Department

THE DIVISION OF DEPARTMENTAL PERSONNEL

On August 31, 1942 the Secretary of State issued Departmental Order 1086, the provisions of which were to become effective September 1, 1942. The text of the order follows:

"The Division of Personnel Supervision and Management is hereby abolished and its functions transferred to a newly created Division of Departmental Personnel.

"Mr. John C. Ross is hereby designated Executive Officer of the Department of State and Chief of the Division of Departmental Personnel. Under the general direction of the Assistant Secretary of State and Budget Officer or, in his absence, under the Secretary of State, he shall plan, direct, control, and have responsibility for all administrative aspects of the formulation and execution of policy, and shall serve as principal adviser and coordinator of the Department in such matters.

"As the Executive Officer of the Department, Mr. Ross shall have responsibility:

"(1) for appraising existing policy making, policy executing, and administrative functions of the Department of State and the interrelationships of such functions with the policy making, policy executing, and administrative functions of other departments and agencies and of interdepartmental and intergovernmental agencies;

"(2) for developing sound principles of authority, responsibility, organization, and administration which will insure effective coordination of policy and action; he shall have final authority in carrying out such principles after approval by the Assistant Secretary of State and Budget Officer or, in his absence, the Secretary of State;

"(3) for defining the functions, responsibilities, and authority of the divisions and offices of the Department; and

"(4) for maintaining surveillance over trends in foreign and domestic policy, in so far as they affect or have a bearing on the functions of the Department of State, with a view to foreseeing the need for new or revised policies and to planning, initiating, and coordinating administrative action to give effect to such policies concurrently with their adoption.

"In carrying out these functions, he shall consult with and advise the Secretary, Under Secretary and Assistant Secretaries of State, the Special Assistants to the Secretary, the Advisers on Political Relations, the Adviser on International Economic Affairs, and the Chiefs of the divisions and offices; work in close collaboration with the Chiefs of the Division of Foreign Service Personnel and of the Division of Foreign Service Administration in the coordination of Departmental and Foreign Service administration; and participate, as consultant and adviser, in meetings of intradepartmental and interdepartmental groups and intergovernmental agencies whenever problems of authority, responsibility, organization or administration in the formulation and execution of policy are under consideration.

"As Chief of the Division of Departmental Personnel, Mr. Ross shall direct and have general supervision over its functions embracing organizational; procedural; fiscal and budgetary, including the administration of the Appropriation, 'Salaries, Department of State'; classification; recruitment; appointment; efficiency rating; leave; retirement; personnel relations; training; and related personnel functions involved in the administration of the Departmental Service; and the preparation of nominations and commissions.

"The Executive Officer and Chief of the Division of Departmental Personnel shall serve as a member of the Council of Personnel Administration, and as liaison officer with the Civil Service Commission, the Central Statistical Board, with military and Selective Service officials in matters relating to deferments of Departmental personnel from military training or service, and with other executive departments

and agencies of this Government in all matter relating to his functions. He shall have custody of the Seal of the United States. He shall certify payrolls and vouchers covering expenditures for salaries for the Department proper and other expenditures of appropriated funds where certifying authority has not otherwise been specifically delegated, as directed under the written authorization of the Assistant Secretary of State and Budget Officer or, in his absence, another Assistant Secretary of State. He shall certify to the correctness of employee service records and to the amounts credited to the Civil Service Retirement Fund in accordance therewith; and he shall sign and certify such other papers as may be necessary in the performance of his functions in so far as not in conflict with existing laws and regulations.

"The symbol designation of the Division of Departmental Personnel shall be DP. . . ."

APPOINTMENT OF OFFICERS

Mr. Jacques J. Reinstein was appointed Assistant Chief of the Foreign Funds Control Division, effective September 1, 1942 (Departmental Order 1087).

Mr. Theodore Tannenwald, Jr., was designated an Acting Assistant Chief of the Foreign Funds Control Division, effective September 1, 1942 (Departmental Order 1088).

Mr. Frederick T. Merrill was designated an Acting Assistant Chief of the American Hemisphere Exports Office, effective September 1, 1942 (Departmental Order 1089).

Treaty Information

MUTUAL GUARANTIES

Agreements With the United Kingdom, Australia, New Zealand, and the French National Committee

A statement regarding the agreements concluded on September 3, 1942 between the United

tes of America and the United Kingdom, Australia, New Zealand, and the French National Committee specifying the principles and procedures applicable to the provision of aid to the United States and its armed forces; the texts of the notes exchanged at Washington between the Secretary of State and the British Ambassador, the Australian Minister, and the New Zealand Minister; and the texts of the notes exchanged at London between Brig. Gen. John Dahlquist, Acting Military Representative of the United States of America, and M. Maurice Jean, representing the French National Committee, appear in this *Bulletin* under the heading "The War".

RESTRICTION OF WAR

Convention Relating to the Treatment of Prisoners of War

The text of a message concerning relief for prisoners of war held by Japan, which was transmitted by the Acting Secretary of State to the Japanese Government through the Swiss authorities, appears in this *Bulletin* under the heading "The War".

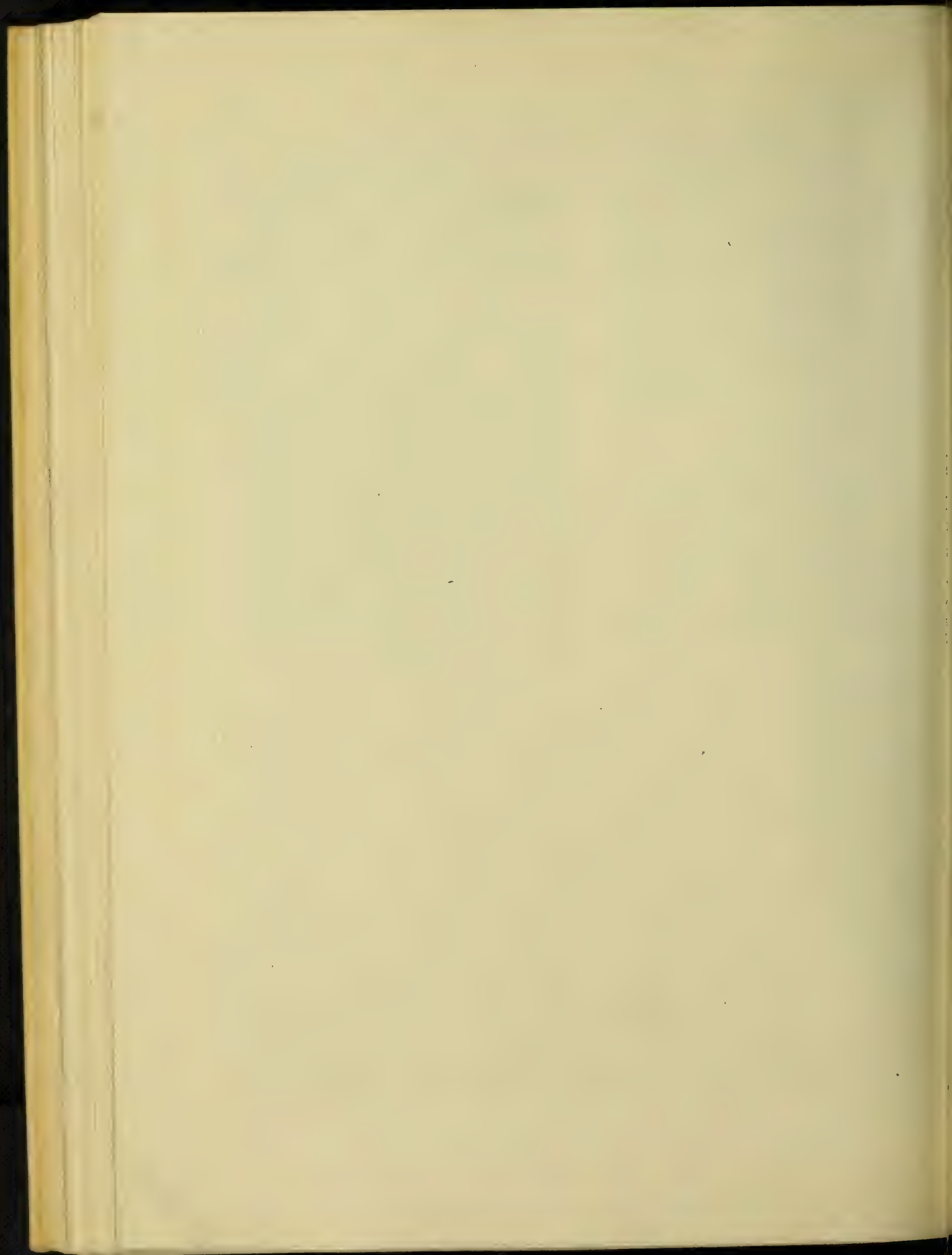
Publications

DEPARTMENT OF STATE

The Proclaimed List of Certain Blocked Nationals. Supplement 1, August 28, 1942, to Revision III of August 10, 1942. Publication 1788. 23 pp. Free.

Legislation

National Defense Migration: Hearings Before the Select Committee Investigating National Defense Migration, House of Representatives, 77th Cong., 2d sess., pursuant to H. Res. 113, a resolution to inquire further into the interstate migration of citizens, emphasizing the present and potential consequences of the migration caused by the national defense program. Part 33. Washington hearings. May 22, June 11, 19, 1942. [Testimony of George H. Winters, Assistant Chief, Division of the American Republics, Department of State, p. 12440; symposium on the question of need for importation of Mexican labor: statement by Laurence Duggan, Adviser on Political Relations, Department of State, p. 12455.] pp. x, 12413-13053.



THE DEPARTMENT OF STATE BULLETIN

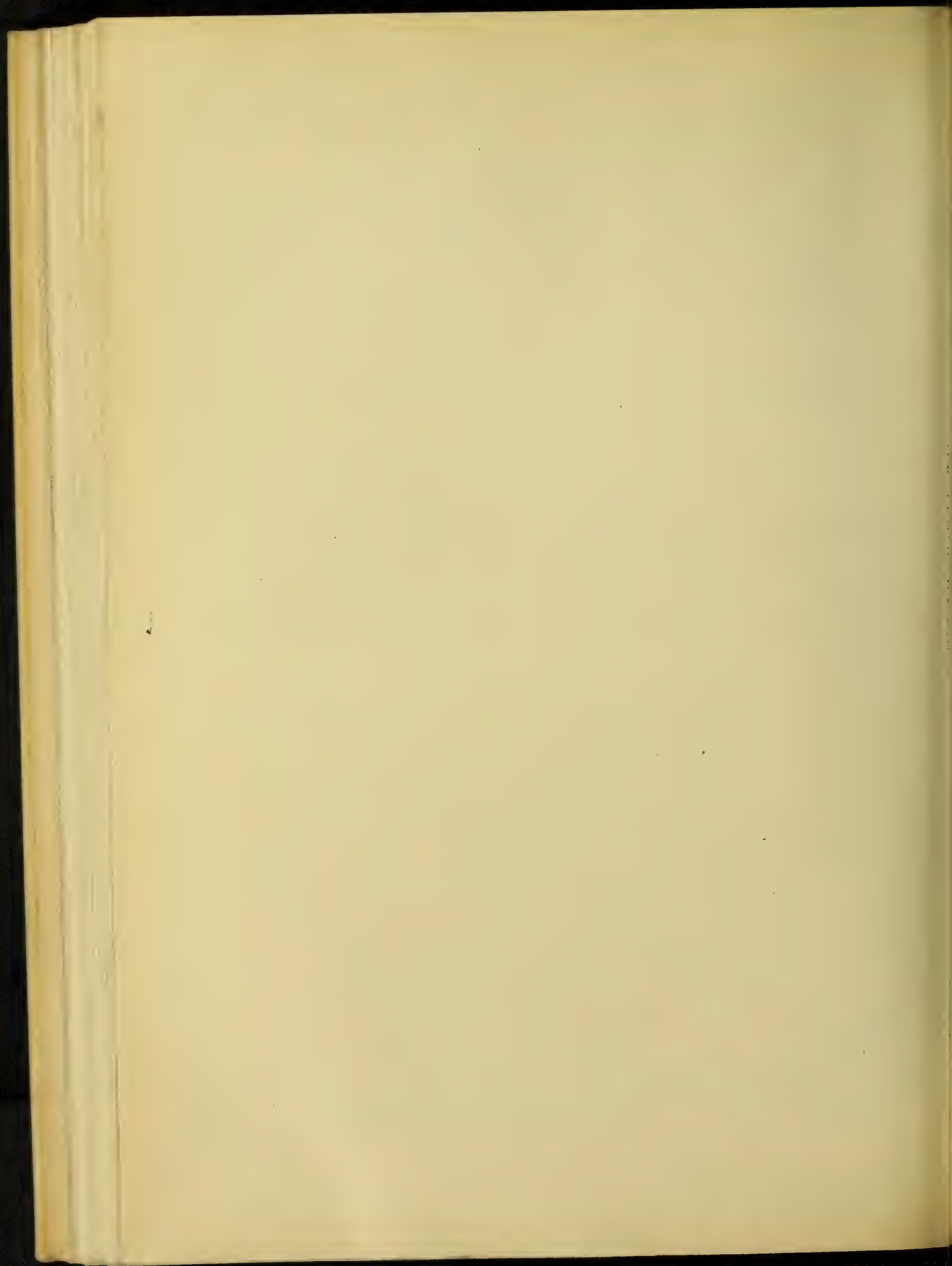
SEPTEMBER 12, 1942

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The War

ADVISORY TECHNICAL MISSION TO INDIA

ased to the press September 12]

joint statement by the Governments of the United States and India regarding the submission of the final report of the Technical Mission to India¹ follows:

The final report of the American Technical Mission has been submitted by its Chairman, Henry F. Grady, to the Governments of the United States and the United States. The report contains much factual data concerning the production in India of essential war materials and the recommendations of the Mission for the expansion of such production. The two Governments are now engaged in studying the Mission's recommendations and the manner in which its various recommendations may be implemented.

The function of the Mission was to investigate the industrial resources of India and to recommend ways and means by which these resources could be developed to augment production for war purposes. The work of the Mission, therefore, was directly related to the common effort of the United Nations and was not connected with the post-war industrial and commercial problems of India. The report of the Mission contains a survey of the principal industries of India ancillary to the war effort and its principal industrial requirements. For each of these, the Mission made recommendations suggesting action by either the Government of India or the Government of the United States. In those instances in which additional output was shown to be required, the Mission recom-

mended the erection of new plants or the installation of additional machinery in existing plants. It also suggested the rearrangement of existing machinery in order that maximum efficiency in production might be attained. The congestion at certain Indian ports received the attention of the Mission, which made various recommendations designed to expedite the loading, unloading, and repair of ships. In addition, it called attention to the overburdened condition of the railways and suggested measures for its alleviation. Vigorous steps have already been taken by the Government of India to implement some of the recommendations contained in the preliminary report of the Mission; and in this program it is being assisted by equipment and material from the United States and the United Kingdom.

"With the full approval of the Government of India, the Mission recommended that a number of production engineers and technicians be sent from the United States to advise and assist in increasing the industrial production in India. Steps have already been taken to secure the services of these experts and a number of them will soon be departing to undertake their new and important assignments.

"The Governments of India and the United States have been impressed with the comprehensive character of the Mission's report. Its recommendations appear to be both constructive and timely. The Governments concerned will determine the extent to which the Mission's program is to be implemented and will seek promptly to execute their decision."

¹*Bulletin* of March 7, 1942, p. 209; March 14, 1942, p. 210; and March 28, 1942, p. 260.

STAFF CONFERENCES AT LONDON

[Released to the press by the White House September 8]

Announcement was made at the White House on September 8 of a conference held in London in July between British and American officials.

The representatives of the United States Government were Harry L. Hopkins, Personal Representative of the President; General George C. Marshall, Chief of Staff of the Army; and Admiral Ernest J. King, Chief of Naval Operations. The American Chiefs of Staff and Mr. Hopkins held important meetings covering a period of 10 days with the British Chiefs of Staff and the British Prime Minister. At these conferences the whole conduct of the war was thoroughly canvassed and, with the approval of the President, the necessary decisions regarding military operations were made.

Stephen Early, Secretary to the President, was in London at the same time for conferences with Brendon Bracken, British Minister of Public Information.

On the return trip from London the American conferees visited Iceland and inspected the American bases there.

BRITISH MILITARY OPERATIONS
IN MADAGASCAR

[Released to the press September 10]

The Government of the United States has been informed by the Government of the United Kingdom that developments in Madagascar subsequent to the occupation of Diégo-Suarez have not resulted in adequate safeguards against Axis penetration in other parts of the island. In the circumstances the British Government, with the approval of the Government of the United States, has deemed it absolutely necessary to undertake further military operations in that area.

The Government of the United States recognizes that military considerations must be paramount in reaching such a decision. The penetration or occupation of any part of Madagascar by the Axis powers would constitute a

definite and a serious danger to the United Nations. The full military occupation of the island by British forces will therefore not contribute to the successful conduct of the war against the Axis forces but will be in the interest of the United Nations.

As stated in the State Department's announcement of May 4, 1942¹ the Government of the United States and the United Kingdom are in accord that Madagascar will be restored to France after the war or at any time that the occupation of the island is no longer essential to the common cause of the United Nations.

REPLY TO FRENCH PROTEST AGAINST
BOMBINGS IN FRANCE

[Released to the press September 8]

The American Chargé in Vichy, Mr. S. J. Tuck, on September 7 was called in by M. Laval who said that in recent bombings of Le Havre and Rouen by combined military forces of the United Nations a number of persons were killed and others wounded and that M. Laval, desired to enter a protest to the American Government since it was reported some American flyers participated. Mr. Tuck's immediate reply was that these air forces were bona fide military plants in the employ of German forces, that, of course, the Americans do not desire to see the French people suffer any more than can be avoided since they have already suffered to an incalculable extent under German occupation but that M. Laval must be assured that the military plants operated by or for German forces and other German military properties in France will be bombed at every opportunity in the future.

MILITARY AND NAVAL COOPERATION
WITH CUBA

[Released to the press September 7]

Word has been received from the Honorable Spruille Braden, American Ambassador to Cuba, of the signature on September 7 of

¹ Bulletin of May 9, 1942, p. 391.

Minister of State of Cuba and by the Ambassador in behalf of the United States, of an agreement on military and naval cooperation between the two Governments.

This agreement, which was negotiated on the part of the United States by representatives of the Departments of State, War, and Navy and the highest civilian and military authorities of the Cuban Government, coordinates all the military and naval measures between Cuba and the United States which have been in effect since the beginning of the war and facilitates the taking of new measures, for the duration of the war, of military and naval security. The appropriate authorities of the respective armed forces as the necessity arises and without need for individual negotiations in each

the rapidity with which United States and Cuban authorities negotiated and concluded the agreement is conclusive evidence of the similarity of views of the two Governments. Although details of the agreement cannot be stated for reasons of military security, it may be stated that the agreement outlines the respective responsibilities of the armed forces of the two countries in the zone affected and provides for coordination of their efforts and cooperation on the basis of reciprocity.

TEST TO MARSHAL PÉTAIN BY TWO FRENCH PATRIOTS

In the press conference of the Secretary of State on September 11, 1942 a correspondent asked that from an undisclosed place probably near Lyon, France, the Mayor of Lyon and the Premier, Edouard Herriot, and another French patriot, Jules Jeanneney, former President of the French Senate, addressed a letter to Marshal Pétain in which they accused him of exceeding the powers vested in him by the French people and, in effect, of betraying his country. In reply to a request for comment, the Secretary of State said that to us and to the French people generally, there is a tremendous significance in the utterances of those two noted

Frenchmen, one of whom he thought belonged to what they call the Right and the other perhaps to the Left Center. With rare courage, the Secretary continued, they were proclaiming what this Government has joined with all lovers of liberty and human rights and popular institutions in France in proclaiming for some time. The Secretary added that their words will always live in history and that this Government is naturally gratified to be associated with patriotic Frenchmen who have the courage again to proclaim all the rights and liberties and the popular institutions that made the great French Republic forever historic.

American Republics

ANNIVERSARY OF BRAZILIAN INDEPENDENCE

[Released to the press September 7]

The texts of telegrams transmitted by the President of the United States to His Excellency Getulio Vargas, President of Brazil, and by the Secretary of State to His Excellency Oswaldo Aranha, Minister of Foreign Affairs, on the occasion of the anniversary of the independence of Brazil, follow:

"SEPTEMBER 7, 1942.

"On this anniversary of the independence of the Brazilian nation the historic words proclaimed at Ypiranga one hundred and twenty years ago assume a special significance. I and my fellow citizens in sending you these greetings of courage and friendship today derive deep satisfaction from the knowledge that the people of your country and mine are joined in the comradeship of arms as free citizens of the Americas fighting our common enemy.

"I am happy to send Your Excellency my sincere good wishes for your personal welfare to lead the great Brazilian nation to a victorious and lasting peace.

FRANKLIN D ROOSEVELT"

"SEPTEMBER 7, 1942.

"I take very special pleasure in sending Your Excellency and through you to your Government my good wishes on this anniversary of the independence of the Brazilian nation. I know that I express the feeling of the people of the United States who have so long been joined with the people of Brazil in ties of friendship when I say that our joint efforts in the war are the best assurance for the attainment of the high objectives for which the free peoples of the continent have always striven.

"Please accept [etc.] CORDELL HULL"

RUBBER AGREEMENTS WITH GUATEMALA AND MEXICO

[Released to the press September 10]

The signing of a rubber agreement with Guatemala was announced on September 10 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreement the Rubber Reserve Company will purchase, until December 31, 1946, all rubber produced in Guatemala which is not required for essential domestic needs.

[Released to the press September 11]

The signing of a rubber agreement with Mexico was announced on September 11 by the Department of State, the Rubber Reserve Company, and the Board of Economic Warfare.

Under the terms of the agreement the Rubber Reserve Company will purchase, until December 31, 1946, any exportable surplus of tree rubber and all guayule and other plant rubber produced in Mexico during that period. The agreement also contains provisions with respect to the limitation of the use of rubber products in Mexico. Under the terms of the agreement a substantial development fund is to be established by the Rubber Reserve Company for the purpose of obtaining the maximum production of wild rubber in Mexico.

General

CELEBRATION OF THE JEWISH NEW YEAR

[Released to the press September 11]

The Secretary of State has issued the following message on the occasion of the celebration of the Jewish New Year:

"On the occasion of the observance of the Jewish New Year, I take particular pleasure in extending my greetings to all Americans of Jewish faith. At this period of anguish for many of their co-religionists, it is inspiring to see how this esteemed and loyal group of fellow citizens are united in their determination to contribute in every possible way to the victory against our enemies which will come as a result of a complete defeat of the Axis powers."

The Department

APPOINTMENT OF OFFICERS

Mr. Warden McK. Wilson, a Foreign Service officer of class III, was designated an Assistant Chief of the Caribbean Office, and Acting Chief during the temporary absence from the Department of Mr. Coert duBois, effective August 14, 1942 (Departmental Order 1000).

Treaty Information

MILITARY AND NAVAL COOPERATION

Agreement With Cuba

An announcement regarding the conclusion of an agreement on military and naval cooperation with the Government of Cuba appeared in this *Bulletin* under the heading "The War"

STRATEGIC MATERIALS

Rubber Agreements With Guatemala and Mexico

Announcements regarding the signing of agreements with the Governments of Guatemala and Mexico for the purchase of rubber appear in *Bulletin* under the heading "American Republics".

Amending Law Detailing Military Personnel to South American Countries [so as to include, during wartime, other countries outside the Western Hemisphere if the President deems such details to be in the public interest]. H. Rept. 2439, 77th Cong., on S. 2686. 3 pp.

Publications

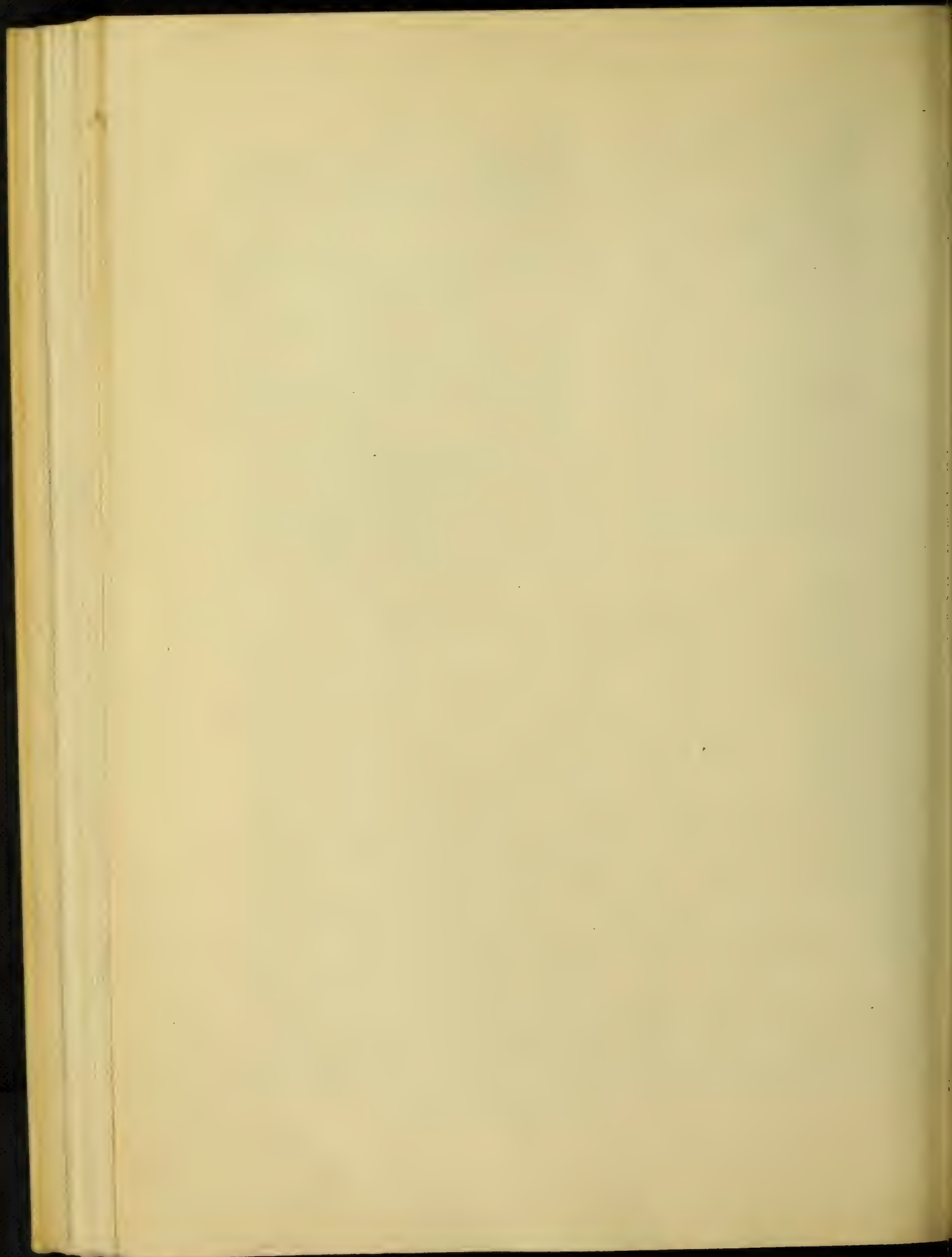
DEPARTMENT OF STATE

Legislation

Investigation of the National Defense Program: Hearings Before a Special Committee Investigating the National Defense Program, U. S. Senate, 77th Cong., pursuant to S. Res. 71. Part 11. March 5, 24, 26, 27, and April 1, 2, 3, 7, 1942. Rubber. [Testimony of Assistant Secretary Berle, pp. 4506-4515.] pp. xiv, 4955.

Exchange of Official Publications: Agreement Between the United States of America and Bolivia—Effectuated by exchange of notes signed January 26 and 31, 1942; effective January 31, 1942. Executive Agreement Series 242. Publication 1786. 9 pp. 5¢.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and the United Kingdom of Great Britain and Northern Ireland—Signed at Washington February 23, 1942; effective February 23, 1942. Executive Agreement Series 241. Publication 1790. 3 pp. 5¢.



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THE DEPARTMENT OF STATE BULLETIN

SEPTEMBER 19, 1942

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he War

TRANSFER OF A WARSHIP TO NORWAY UNDER THE LEND-LEASE ACT

ased to the press by the White House September 16]

t the Washington Navy Yard on September
upon the occasion of the transfer of a ship
the Norwegian Government under the Lend-
e Act, the President and Her Royal High-
the Crown Princess Martha of Norway
e as follows:

R ROYAL HIGHNESS, MR. AMBASSADOR:

there is anyone who still wonders why
war is being fought, let him look to Nor-

If there is anyone who has any delusions
this war could have been averted, let him
to Norway. And if there is anyone who
ts the democratic will to win, again I say,
in look to Norway.

e will find in Norway, at once conquered and
nquerable, the answer to his questioning.
e all know how this most peaceful and inno-
of countries was ruthlessly violated. The
ination of treachery and brute force which
uered Norway will live in history as the
test deed of a black era. Norway fought
ntly with what few weapons there were at
—and fell.

d with Norway fell the concept that either
teness from political controversy or use-
ss to mankind could give any nation im-
ty from attack in a world where aggression
d unchecked.

t the story of Norway since the conquest
s that while a free democracy may be
to realize its danger, it can be heroic
aroused. At home, the Norwegian peo-
have silently resisted the invader's will
grim endurance. Abroad, Norwegian
and Norwegian men have rallied to the

cause of the United Nations. And their assist-
ance to that cause has been out of all propor-
tion to their small numbers. The Norwegian
merchant marine has lost some 200 ships and
1,300 seamen in carrying the supplies vital to
our own and Allied forces overseas. Nor has
the Norwegian Navy been less active. Norse
fighting ships battled valiantly but vainly
against the invader, destroying one third of
the German invasion fleet before they were
overwhelmed by superior forces. Right now
the blue cross of Norway flies on the fourth
largest Navy of the United Nations—a Navy
whose operations extend from the North Sea
to the Indian Ocean.

It is today the privilege of the people of the
United States, through the mechanism of the
lend-lease law, to assist this gallant Navy in
carrying out its present heavy duties.

Your Royal Highness, as a token of the
admiration and friendship of the American
people toward your country and her Navy, I
ask you to receive this ship. We Americans,
together with the millions of loyal Norwegians,
are glad that this ship is being given today
the name of the King of Norway—a leader
well versed in the ways of the sea, a true
leader who, with his people, has always stood
for the freedom of the seas for all nations.
May this ship long keep the seas in the battle
for liberty. May the day come when she will
carry the Norwegian flag into a home port in
a free Norway!

Mr. PRESIDENT:

On behalf of the King and the Government
of Norway I am very happy to accept this ship

of war, which under the provisions of the Lend-Lease Act you have today transferred to my country. Having just returned from London, I am in a position to bear personal witness to the deep appreciation with which your friendly and generous action is being received by those who lead the Norwegian people in its fight for freedom.

But not only the leaders—also Norwegian men and women everywhere, on sea and on land, on the home front, and on the external front—are stirred at what is taking place here today. It is not alone what this admirable, technically complete submarine chaser means as an addition to our fighting Navy but also, and not the least, what it signifies as an expression of the friendship and common purpose of our great comrade in arms, the American people.

The beautiful and generous words just expressed by you, Mr. President, about the Norwegian people and its contribution to our common cause, will ultimately find their way to every Norwegian home, every Norwegian ship

on the seven seas—yes, everywhere on this globe where Norwegian men and women are praying and working and fighting to regain the free happy Norway of our deepest longing.

Especially coming from one whose vision and unfaltering courage has contributed immeasurably to rally the forces of freedom, your words will bring hope and renewed faith in deliverance from the yoke of the barbarians.

The tidings of America's rapidly increasing mobilized manpower and war production, the flaming spirit of America's fighting forces already manifested in engagements on land, and in the air are every day telling our hard-pressed people that with such an ally we cannot fail.

The Royal Norwegian Navy is proud and happy to call their own this ship, named after our beloved leader, King Haakon VII. Those who are going to take her into the thick of the common battle tell me that their greatest ambition shall be to show themselves worthy of the flag and of the trust and friendship of the President and the people of the United States.

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, SEPTEMBER 15, 1941

[Released to the press September 15]

MR. CHAIRMAN AND GENTLEMEN:¹

Yours is the first large group of fellow countrymen that I have had the privilege and pleasure of meeting face to face since returning from Japan. For me it is therefore a thoroughly memorable occasion. But the real inspiration of this meeting springs from what you are, what you have done, and what you are doing. You symbolize the backbone of the civilian participation in the war effort of our country, and in your contribution to that effort you have achieved outstanding success. Permit me to express my sincere and hearty congratulations to the workers and the management of the Remington Arms Company on your having won the thanks of our Government and country as ex-

pressed in the award of the five "E's" which you receive today. Effort, efficiency, and effectiveness. Whatever those "E's" may officially specifically stand for, those three words seem to me accurately and appropriately to represent your record and your achievement up to this point. There is still a long road, probably a very hard and difficult road, ahead. You have given concrete evidence that you can, and clear indication that you will—to the end—meet the test.

Other speakers will have dealt with the statistics of the expansion and production achieved by you in this time of war. I confine myself to the simple statement that this well-merited honor stands as a splendid example to our country. More than that, it stands as a ringing plea, and that this great record of yours, this record of strikeless effort, efficiency, and effectiveness is a record of almost unexcelled expansion and aggressive intensiveness in production be emu-

¹ Delivered by the Honorable Joseph C. Grew at the Remington Arms Company, Bridgeport, Conn., and broadcast by the National Broadcasting Company.

from end to end of our embattled but still groping land.

our still groping land. Groping for what? Well, I will try to tell you of my impressions on returning home after long and difficult years abroad. From many talks with many different elements of our people I sense the most earnest desire of all to contribute, individually and collectively, their maximum potentialities of service to our national effort toward winning this war.

But many of those with whom I have talked seem to have no real comprehension of what we are up against, no real comprehension of what we are not fighting distant enemies merely to preserve our national "interests" but, in fact, to preserve our national life—our existence as a free and sovereign people. Make no mistake about this. I know at least one of our enemies intimately, the Japanese, and I know beyond doubt that the dearest wish and intention of that enemy is so to extend their victories, conquests and power that ultimately they will be in a position to subject us also to the domination of the people of the lands already conquered. That means just one thing. Our freedom, the freedom of our priceless American heritage, disappears. Yes, that is their dearest desire: to control not only their Oriental neighbors but Occidental peoples, especially those of America. Megalomania—if you will—but it's there.

Hitler suffers from the same disease, and he has no doctor to diagnose the symptoms. "It won't happen here." But, alas, it can. Pearl Harbor couldn't happen. But it did. And all that is left of it will happen if some of our countrymen continue to grope—to grope blindfold for the facts which are clear before them if they will only remove the bandage from their eyes. Little by little I hope to bring before my fellow countrymen the salient facts concerning the widely misunderstood effectiveness and power and the fanatical, do-or-die, fanatical spirit of the Japanese war machine against which we are fighting. Unless that effectiveness and power and the threat are correctly assessed by the American people as a whole, our road to victory will be doubly long and hard and bloody.

And now, another side of the picture. Many people have said to me that the American people are

ready but that our leaders must show us the way. Show the way? If anyone feels that our leaders have not pointed out the way, let him read again and again the statements and declarations of our President, of our Secretary of State and others of our high officials, with the fullest support and cooperation of many other leaders of public thought. Haven't our leaders month in and month out given us our bearings, charted our course, told us what lay ahead, what we now are fighting for, and what we may expect if we fail in that fight? Haven't they asked for our maximum efforts in production, for our individual and collective self-sacrifice of the non-essentials of life, for hard thinking and resolute action on our part, not in terms of our daily convenience but of our daily contribution? Why waste invaluable time and energy in bickering about details, about non-essentials? Why not let come to the fore and give full play to our American initiative and resourcefulness and the inherent toughness of earlier difficult days? A very great number of our fellow countrymen are imbued with the finest spirit of self-sacrifice and determination to go all out in their war effort. They are wide-awake and functioning to their full capacities. Others among our fellow countrymen are similarly eager to serve but are not yet fully awake to the realities of the situation. They have failed to analyze the dangers which confront us or to realize the full grimness and potential desperate demands of this war which we are waging actually to preserve our liberty—waging to preserve the very principle of liberty. Others among our fellow countrymen are quite simply still asleep.

Let me merely say to you this. Since coming to Washington I have seen at close hand, personally and intimately, the grim determination and decisiveness of those leaders of ours. The problems which they have to face are among the greatest and most difficult in the history of our Nation. But those problems, one by one, are being faced and dealt with in that very spirit of determination and decisiveness which fills me with patriotic pride. I was in Washington in 1917. The war effort of our country then was amateurish compared with our war effort now. I have talked directly with the officers of our

joint Chiefs of Staff, with large groups of our Army and Navy officers, with the production management, with the members of our strategic services, and with many others from the President down. Some of their problems seem almost insuperable, but the spirit of their determination to solve those problems is absolutely invincible, and they are solving them, hour by hour and day by day. If only our people, our people as a whole, will realize the dangers which we are up against, what we stand to lose by failure, what we must and will gain by victory—if only our people as a whole will get in and push to the maximum of their several capacities!

Do you know what use the foreign propaganda radio stations are making of this groping of the American people? They constantly broadcast our disunity, our domestic bickerings, our strikes and political schisms. Every instance of such disunity that appears in our press is avidly seized upon and amplified and flaunted throughout the enemy countries. They believe or pretend to believe—those enemies of ours—that we are an effete nation, reared in the lap of personal comfort, vitiated by luxury, unable to meet the supreme test of war.

You, the employers and managers and workers of this company, are proving the utter futility and falsity of that propaganda. Your record and accomplishments stand forth for all to see. May your example inspire others from end to end of our beloved land.

And now a word about the Japanese, especially the Japanese workers. To you, I am sure there is nothing unusual about free workers and free management assembling in a free country. Benjamin Franklin once said that we never miss the water until the well runs dry. I have spent the last 10 years in a country where the well of liberty has always been dry. A meeting such as this in Tokyo or Osaka or Nagoya would be unthinkable. Neither in those cities nor anywhere else in Japan is the worker more than an unresisting pawn of the militarists who are driving his country to destruction.

Indeed, I can picture the worker of Japan only in his working clothes, bearing upon his back a huge Japanese character, the name of his employer. Each man bears upon his back

this rubber stamp, a symbol of his servitude, a symbol of the fact that he is merely a personal tool in the hands of those who determine his country's destiny—a tool to be used indiscriminately and without regard for his personal and individual well-being.

The Japanese worker has nothing to say about his wages, which before the war were barely enough for his subsistence and still undoubtedly are. He has nothing to say about his hours, which are long and back-breaking. If he has any union at all, it dare not lift its voice. He has been driven underground by the brutal methods of the "thought control" police. In fact, there is almost nothing that he has to say about, from the moment that he comes to the world until the moment when, worn out by unhealthy working conditions, long hours, poor diet, he takes his leave of it forever.

This is what it means to be a worker in Japan. This, or far worse, is what it means to be a worker in any country which falls before Japanese armed forces.

Yet we must not be misled by the abject poverty and regimentation of our enemies. The conditions I have described would lead Americans to revolt. But Japan is a country far different from our own in every conceivable way. Under these conditions the Japanese workers have docilely toiled to build a military machine which has swept across eastern Asia like a tidal wave and will sweep still farther if allowed to do so.

The Japanese people have been accustomed to regimentation since the very birth of the nation. There are Japanese living today who were born when their country was still a feudal land, when every feudal lord held the power of life and death over his so-called common people. We in the West shook off feudalism many centuries ago. In Japan it existed so recently that it has left a vast heritage of almost proscribed subservience to birth and authority.

The men who rule Japan today have taken full advantage of the docility of the Japanese people to create a formidable military and economic machine. If a man will yield himself to hypnotism, it is as easy to convince him that he is a roaring tiger as to make him be-

is a gentle lamb. The Japanese militarists have hypnotized their fellow countrymen into believing they are roaring tigers, and they will continue to try to act like tigers until the black hell has been broken.

These ruthless architects of aggression have carried out their plans with diabolical cleverness. Their campaign of propaganda has been long and incessant. Even Japan's handicaps have been used to strengthen her for war. The very standard of living of the Japanese people, for example, has been used to inure them to a Spartan life. Today the Japanese soldier on the fighting front, the Japanese sailor in his cramped ship, and the Japanese worker in his squalid factory can alike live on a diet so meager that any American on the same diet would soon collapse. The traditional subservience to authority has been used to lead the Japanese worker to accept a degree of regimentation which some respects exceeds that of better known Nazi Germany. And this regimented industrial machine has been turned to one purpose: the production of the tools of war. The very failure of Japan's war against China has been used to induce the Japanese people to accept placidly these measures of control and rationing—measures of such severity that without the psychological support of war they would surely lead to revolt. Above all, the men who rule Japan have used their efficient propaganda machine to instil in every Japanese a fanatical devotion to his country.

Even those who hate their nation's entry into this present war have buried their personal feelings. Even they have come to accept the belief that the future of their country depends on the outcome. We would be deluding ourselves if we believed that any personal sacrifices which the Japanese people might be called on to make would lead to any cracking of their morale. Yamato Damashi, the spirit of Japan, has been stronger during recent months than ever before. The undeniable successes of their Armies, sweeping across Malaya, Burma, the Philippines, the Netherlands East Indies, and many of the islands of the southwest Pacific, have given them tremendous confidence in their ability to win. They know that they have a

long and difficult fight before them. They believe that by grim endurance they will grasp victory.

This confidence is based not only on the successes of their own forces but on false contempt for the fighting ability of their enemies. The Japanese are well aware of the technical achievements of the Western powers—so well aware, indeed, that they have taken many of these achievements and adapted them to their own use. They are well aware of the high standard of living of Western peoples. But they believe that this high standard has brought a softness—even a degeneracy—to Western civilization. They believe that we Americans and our allies are too complacent, too well fed to be willing to make the sacrifices necessary for victory.

This is the real challenge to America—the challenge of a people who have been hypnotized into believing that democracy weakens those who possess it, that a high standard of living weakens those who enjoy it, that peace and the love of peace weaken those who cherish them. It may come as a shock to some of us to realize how scornful of us are those with whom our relations have been too often governed by a careless sense of superiority. Too long have we nurtured the illusion that the Japanese is an insignificant person whose achievements are poor imitations of our own achievements. The Japanese is physically small, but he is sturdy. We might say that he is half starved, but he is Spartan. He is imitative, but he is also capable of adapting himself easily and quickly to new conditions and new weapons. He is subservient, but his very subserviency is the expression of a fanatical loyalty toward his country and his Emperor. He is a clever and dangerous enemy—one who will compel us to use all the intelligence and all the strength of which we are capable in order to bring about his defeat.

And as for us, what is our answer to this challenge from across the Pacific? What is our reply to these little islanders who believe that we are weak and of divided mind in our hour of peril?

I do not know that I have been back in the United States long enough to have a final answer to this question. But I do believe that I have seen enough and talked to enough people to get something of the feel of my native country in this year of crisis. Perhaps the very fact that I have been away from America for some time may enable me to see somewhat more clearly the changes which have taken place in the transition from peace to war than if I had been here to live through them from day to day.

No one returning to this country after a long absence can fail to be impressed by the way our great industrial capacity has been converted to the production of munitions. No one can fail to be impressed by the vast armies which are being mustered around us and the great fleets which are being hammered into shape. But we have by no means neared the limits of achievement. What we have done to date we have accomplished through the comparatively easy, first stages of transformation of our industrial machinery and our vast store of manpower from the purposes of peace to those of war. We are like a football team running through its practice plays against the scrubs. The players carry out their assignments; but the punch, the determined plunge which brings victory in the big game, is lacking. We must pull ourselves up short. We must stop groping. Let us make no mistake. This is the real thing, played for keeps. An easy-going transformation is not enough. Our effort must be an extraordinary one—one which exceeds anything that we have undertaken heretofore. In winning this broad continent which is our heritage, in preserving it from attack within and without, the American people in the past have performed the tasks of giants. Today we face the greatest task in our history.

A friend of mine recently wrote me: "You will find this country sound in feeling, but still unable to realize that we are involved in a desperate war."

I understand very well how difficult it is for the people of this country, many thousands of miles from the fronts where the actual fighting is taking place, to realize fully just what this war means. I myself sometimes find it difficult

to believe that but a few short weeks ago I was for all practical purposes, a prisoner in a country ruled by fanatics determined to destroy the United States and all that she stands for. I must not allow this remoteness from the battle front to lull us into a sense of false security. This is war to the finish. The Japanese understand this—peasants as well as admirals and generals. They have gambled everything on their belief that we are too soft, too divided among ourselves, to stand before the fury of their attack—indeed a furious attack. This was bred by fanatical militarism. That fanaticism is being met now by the heroism and righteous fury of our own air forces, by the less frontal attack by our marines, by the shells from the guns, and the heroic men of our Navies and our Armies. I need not recount for you how our men on the firing lines face to face with the enemy, and our women behind those lines—by their spirit, determination, effectiveness, sacrifice—are beating back the enemy's untiring will to conquer. They at the fighting fronts can handle anything the Japanese send against them if, and it is an important "if", each and every one of us—you and I—gives them his utmost support. The ruthlessness which is driving the Japanese Navy toward conquest knows neither gentleness nor mercy. It is utterly ruthless, utterly cruel, utterly blind to any of the values which underlie our civilization. The only way to stop it will be to destroy it.

It is up to each one of us, to every American to see the picture as a whole, to realize that we are fighting for our individual and national existence and for everything that each one holds dear, to gain from that realization inspiration, zeal, courage, and determination to harness all our energies into a tremendous effort—an epochal effort that will make our victory certain. Each individual must pour out everything which he has to accomplish his individual part at hand and to make the most of every opportunity for service. Each and every one must realize that through his individual and collective efforts new and broader and more effective avenues of service will steadily be opened up, and thus each and all of us will gain

opportunity to contribute in ever-increasing measure to getting the job done with maximum speed and with maximum effectiveness.

This is our task—the task of our own great country and of our Allies of the United Nations. Let us stop groping. It is a task in which you, employers and workers of America, have an immense part, a vital part to play. Play it well. If you fail—please mark my words—you pass

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, SEPTEMBER 18

Released to the press September 18]

HONORABLE MAYOR, LADIES AND GENTLEMEN: ¹

The privilege of attending this important gathering is highly appreciated, and I wish at once to express my hearty thanks for the welcome that you have so kindly and generously accorded me. If the fighting spirit of our Nation typified by the spirit of this great meeting in our progressive city of Syracuse, we need not fear for the eventual outcome of the war.

In November 1939, at a time when the Japanese Army was floundering unsuccessfully in China, I wrote in my diary:

To await the hoped-for discrediting in Japan of the Japanese Army and the Japanese military system is to await the millenium. The Japanese Army is no protuberance like the tail of a dog, which might be cut off to prevent the tail from dragging the dog. It is inextricably bound up in the fabric of the entire nation. Certainly there are plenty of Japanese who dislike the Japanese methods; there is plenty of restiveness in the wholesale impressment of young men to fight in China, at the death and crippling of the young, and at the restrictions and handicaps in everyday life entailed by the expenses of the Japanese campaign. But that the Army can be discredited in the eyes of the people to a degree where its power and prestige will become so effectively undermined as to deprive it of control, or at least of its preponderant influence in shaping national policy, is an hypothesis which I believe no one conversant with Japan and the Japanese would for a moment entertain.

Delivered by the Honorable Joseph C. Grew at a luncheon at the Hotel Syracuse, Syracuse, N. Y., and broadcast over the red network of the National Broadcasting Company.

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into slavery and all America passes into slavery with you. But you will not fail; we will not fail, because we are free men living in a free country, able and determined that we, our country, shall remain free, that our homes, our traditions, our civilization, our principles, our standards, our humanity shall remain free, and that henceforth we shall also be and shall remain secure.

Should a *coup d'état* occur in Japan through social upheaval, there is little doubt that it would lead immediately to a ruthless military dictatorship."

That entry in my diary was almost three years ago. A good deal of water has run under the mill since then, but those comments are just as true today as they were then—except in one fundamental respect. I then wrote that the Japanese Army was inextricably bound up with the life of the people, and when I wrote of the Army I alluded to the whole great military machine which includes the Navy too. So it is today. From every village and farm and factory and home, sons and brothers and fellow workers have been taken for military or naval service throughout the nation. That whole machine is closely integrated with every phase of the national life. But I also wrote at that time that that military machine could not be discredited in the eyes of the people. Today I amend that statement. The Japanese military machine can and will be discredited in the eyes of the Japanese people, and we, the United States of America, will bring that about.

Two questions. First, why? Answer: because until it is so discredited, permanent peace never can and never will be restored in the Pacific area. Second, how? Answer: by utter and complete defeat by the armed forces of the United States of America and of the other United Nations. Only when that Japanese military machine is rendered physically impotent, physically incapable of carrying on its far-flung campaign of crushing and conquering and enslaving—yes, literally enslaving—those who fall beneath the wheels of its ruthless and utterly pitiless car of juggernaut, only then will the

Japanese people as a whole come to the realization that crime does not pay, that they have been forced to follow false gods, and that the ways of peace are in all respects preferable to the ways of war. And when that time comes—as it assuredly will come in due course—many a Japanese, many a patriotic and loyal Japanese, loyal to his Emperor, loyal to the spirits of his ancestors, and loyal to his nation, yet who did not want this war, who had nothing whatever to do with the bringing on of this war, will sigh with profoundest relief. And this I say with 10 long years of intimate knowledge and experience of Japan and all her works.

Now how is that defeat to be brought about? Our strategists and tacticians will take care of that. As a layman in military and naval matters, I should say that two main courses will have to be followed simultaneously. First, the gradual but progressive dislodgement of the Japanese forces from the bases and areas that they have temporarily occupied. You know from the published reports what our marines, our sailors, our soldiers, our ships, and our planes are doing in the South Seas today. They have a tough job ahead, but they themselves are made of iron. They will not fail. Second, the gradual but progressive destruction of the Japanese Navy, merchant marine, and air force—producing an attrition which must finally so reduce and weaken their combatant power and their attenuated lines of supply that the homeland will be isolated from every area which they have occupied. This will not be the end, but it will be the beginning of the end. Let us leave the *coup de grâce* to our tacticians. They will not fail.

And how about the rest of us? Shall we fail? Shall we fail so to integrate our war effort into the life of the Nation that our men and boys, valiantly fighting overseas against that all-powerful and equally valiant enemy, shall be deprived of a single ship or plane or gun or shell which might have reached them but did not reach them because in some respects our efforts at home had been geared to our creditable but not our maximum capacity? Aye, there's the rub. To attain our maximum capacity—our maximum collective capacity to be attained only

if and when every one of us, hour by hour and day by day, exerts his maximum individual capacity.

Burns once wrote: "And if I seek oblivion a day, so shorten I the stature of my soul." I would readjust those lines: "And if I seek oblivion of a day, so lengthen I the travail of my land." Can there be any man or woman in our great embattled Nation who seeks even a day's oblivion when his country is in dire peril, as it surely is today?

The other day a friend, an intelligent American, said to me: "Of course there must be ups and downs in this war; we can't expect victory every day. But it's merely a question of time before Hitler will go down to defeat before the steadily growing power of the combined air and naval and military forces of the United Nations—and then we'll mop up the Japs." Mark well those words, please: "And then we'll mop up the Japs."

My friends, let's get down to brass tacks. I know Germany; I lived there for nearly 10 years. I came out on the last train with my chief, Ambassador Gerard, when in 1917 we broke relations with Germany and shortly afterwards we were forced to declare war on that aggressor. I know the Germans well: truculent and bullying and domineering when on the crest of the wave, demoralized in defeat. The Germans cracked in 1918. I have steadfastly believed and I believe today that when the tide of battle turns against them, as it assuredly will turn, they will crack again.

I know Japan; I lived there for 10 years. I know the Japanese intimately. The Japanese will not crack. They will not crack morally, psychologically or economically, even when eventual defeat stares them in the face. They will pull in their belts another notch, reduce their rations from a bowl to a half-bowl of rice and fight to the bitter end. Only by utter physical destruction or utter exhaustion of their men and materials can they be defeated. That is the difference between the Germans and the Japanese. That is what we are up against in fighting Japan.

That gives food for thought, doesn't it? Those who have never lived in Japan can have no conception

tion of the overweening confidence of the Japanese Army and Navy, their overweening ambition, and their determination to conquer and subjugate portions of the Occident just as they already have temporarily possessed themselves of large sections of the Orient. You realize that the Japanese are already in the Aleutian Islands, don't you? Not far from Alaska. Not far from other parts of our country. Our armed forces are dealing with that situation. I mention it merely as a concrete indication of what the armed forces of Japan hope to do and what they intend to do—and what they will do if they can: first to bomb important American centers and then, eventually, invade America.

And let us not allow ourselves to be deluded by thinking that these hopes are merely pipe dreams, impossible of fulfillment. The Japanese seem to us fanatics and, at times, barbarians. But in building their Army they have been extremely practical and level-headed, creating a military nation which today must be recognized as one of the most formidable in the world.

Let me tell you a little story which throws light upon the spirit which animates these grim warriors. Last year when our country and Japan were still at peace I received from the Japanese Government the name of a Japanese who had been taken prisoner in China and who asked his family at home in Japan to know if he was alive and well. I communicated this information to the Government in Tokyo. I received, in due course, the official reply. It was brief and to the point. The Japanese Government was not interested in receiving such information. So far as they, the Government, were concerned, and also so far as his own family was concerned, that man was officially dead. He was to be recognized as a prisoner of war, and he would be brought upon not only his own family but his government and his nation. "Victory or death" is no mere slogan for these warriors. It is a plain, matter-of-fact description of the military policy which controls their actions from the highest generals to the newest recruit. The man who allows himself to be captured has disgraced himself and his country.

Let us take a somewhat more intimate and extensive look at this Army which today is hoping to bivouac on the White House lawn. One of the best and most accurate assessments of that Army as it exists today was prepared by our assistant military attaché in Tokyo, Lieutenant Colonel C. Stanton Babcock, and I believe that no better conception of that Army can be conveyed to you than by my presenting, sometimes verbatim, some of the facts and comments set forth in that report.

The Japanese Army has one great advantage over her enemies in the Far East: the advantage of five years of hard fighting in the China War. They have paid dearly for it. Estimates of their casualties run as high as a million men. But for this grim price in blood they obtained a proving ground where they could build a tough, veteran army trained in that greatest of all military schools, war itself.

But the Japanese were not content with this. They gave their men further training in special areas where the terrain and climatic conditions approximate those in the regions where they were to fight. The units and commanders for the various sectors were selected months in advance and put to work. The Malayan Army trained in Hainan and Indochina, the Philippine force in Formosa, and both units practiced landing operations during the late summer and fall of 1941 along the south China coast. Even the divisions chosen to attack Hong Kong were given rigorous training in night fighting and in storming pillboxes in the hills near Canton. So realistic were these maneuvers that the troops are reported to have suffered "a number of casualties".

The Japanese High Command was able to make these careful preparations because of years of study of the areas where they expected to wage future campaigns. This study was based on a first-class espionage system. Japanese commentators have not even attempted to hide the fact that the High Command was fully informed for a year before the war of the strength, dispositions, and likely plans of their potential enemies. A good deal of this information is said to have been obtained by "observing" maneuvers in the Philippines and in Malaya. We can seri-

ously question whether much of this information was gathered by official observers. The eyes of the High Command were probably reserve officers, disguised as humble members of the Japanese community scattered throughout the world.

In making use of this highly valuable information the various branches of the Japanese armed forces—land, sea, and air—worked together in complete unity. This was the more surprising, in as much as the great political activity of both armed services in Tokyo had led to a considerable amount of suspicion and jealousy on the home front. Apparently none of it carried over to the fighting front, for Japanese Army-Navy teamwork left nothing to be desired. "Task forces" organized during the summer of 1941 trained and worked together continuously. Details of command, supply, and other matters which might have given rise to controversy were carefully worked out in advance and clearly understood by all concerned.

In developing these task forces great importance was laid upon the attainment of air superiority. Admitting frankly their enemies' greater potential air power, the Japanese nevertheless believed that they could seize, and maintain for a long time, command of the air in east Asia. Once again events proved them right. Air-force units, both of the Army and of the Navy, concentrated their strength against enemy air fields, and not until the opposing air strength was thoroughly crushed was any considerable part of the available Japanese forces diverted to other missions.

The use of dive and light bombers as a kind of long-range artillery was closely patterned on German tactics, as the Japanese themselves admit. This flying artillery was especially effective in the early stages of the Malayan campaign, where the terrain made observation difficult and the emplacement of large numbers of ground batteries was virtually impossible.

The Japanese have borrowed more from the Germans than their tactics in the use of dive and light bombers. Like the Nazi High Command, they refuse to admit that there are any natural obstacles which their forces cannot cross. How

often have the German Armies shown how the Allied commanders had made the mistaken assumption that terrain which is merely difficult is impassable! In their lightning campaign of last winter the Japanese made the same point over and over again. Indeed, the Japanese themselves have said that their tactics have frequently been based on the principle of attacking through a particular area in the knowledge that their enemies have been lulled into a false sense of security and complacency by the very assumption of its impassability. And the Japanese emphasize the disastrous effect on the defender's morale once a so-called impregnable area has been pierced.

But above all, according to both the Japanese themselves and outside observers, the most important factor contributing to Japanese victories is the spirit which permeates all the armed forces of the Empire. This spirit, recognized by competent military men as the most vital intangible factor in achieving victory, has been nourished and perpetuated since the foundation of the modern Japanese Army. The High Command have counted heavily on the advantage that this would give Japan over her less aggressive enemies. They were well aware of the psychological effect produced on the British, the Dutch, and the Americans by reliance on offense. They put great store in the flabbing produced in the white man after nearly a century of easy and luxurious life in the Far East. They attached great importance to the disillusion in the United States over the war issue and counted on an appreciable interval before an aroused nation could find itself and develop a fighting spirit of its own. By that time, they still feel, Japan will be in complete control of all east Asia.

The Japanese themselves have developed a tremendous fighting spirit in their armed services and people alike. Indeed, the Japanese armed services and the Japanese Nation have become so closely identified that it is difficult to tell where one stops and the other begins. Every Japanese male, of course, must perform military service under a system of universal conscription. Thus, in every family the father or son

whether has served or is serving in the Army or Navy. Every house in Japan, down to the lowliest hovel, proudly flies the Japanese flag at its front door when one of its men is in military uniform.

The people of Japan are wholly united in their support of their armed forces and of this is simply because it is declared to be the will of the Emperor. To oppose the will of the Emperor, the will of the Son of Heaven, is unthinkable in Japan. Disloyalty to the Emperor, too, would shame their own ancestors; ancestor worship, the patriotic faith called Shintoism, is the fundamental faith of the Japanese country.

But, I hasten to add, that the Japanese Government has never succeeded in obtaining universal conformity among its subjects. Even among the Japanese there are a few bold spirits who are unwilling to accept dictation from above and insist on thinking for themselves. There should be no attitude more dangerous to an autocracy, and all such thoughts are labeled by the Japanese police as "dangerous thoughts". Many Japanese finds himself in a solitary prison undergoing long months of intensive investigation, on the basis of a mere indiscreet word uttered in the hearing of some stranger or even a friend.

We may well ask ourselves how so many of our people came to pay so little attention to this formidable military machine, a machine which has dominated the lives of the Japanese people long before Pearl Harbor. Partly, of course, we can attribute to our remoteness as a nation from the place where this machine was in action. This remoteness served not only to keep us from obtaining first-hand impressions of the activities of the Japanese Army but also to lull us into a false sense of security. Many believed that because the Pacific was between us and Japan we were safe. That thought was relentlessly hammered home here in America by the head-in-the-sand school of political leaders. I may add that it was with considerable joy that the leaders of Japan observed what I am sure was unintentional cooperation of the American isolationists in Japan's plans to fool us. Often

have I seen the public speeches of those isolationists flaunted under big headlines in the Japanese press.

Nevertheless, the Japanese ability in deception and concealment played a very considerable part in keeping our people ignorant of the true meaning of what was going on in eastern Asia. Many, for example, took the apparent failure of the Japanese Army to drive to victory in the four years of the China War as evidence of the weakness and inefficiency of the Japanese military forces. It has become more and more apparent since Pearl Harbor that, however much we hoped for peace in Asia, the Japanese themselves throughout the China War were husbanding their resources for the greater struggle which they felt lay beyond. In this connection, the Japanese budget figures released to the press are extremely interesting. They indicate that only 40 percent of the appropriation voted to the defense forces was expended for the conduct of the so-called China Incident. Sixty percent—nearly two thirds of the total appropriation—was used to prepare the services and the industrial plants for the greater emergency yet to come. Similarly, of the materials and weapons furnished the services, only one fifth was sent to China—the rest being used to expand and modernize the armies and fleets which were to be called upon when the super-war really broke.

Oversimplified and inconclusive though these figures are, the Japanese themselves nevertheless use them to support their promise that the war in China has left Japan stronger rather than weaker and in a better position than ever before to strike at her enemies.

Nevertheless, despite its strength Japan's new empire should certainly not be considered invulnerable. It has definite weaknesses which, if we take full advantage of them, will lead ultimately to the collapse of her whole position.

Japan, despite an unparalleled expansion over an area of many thousands of square miles in the campaigns of the past winter, has not succeeded in removing strong Allied positions on the flanks of her defensive chain. It is, of course, an axiom of conquest that each time you

advance you are creating a future need for a further advance to protect your new position. Nevertheless, Japan hoped that by her concerted campaigns she could drive her enemies back to such a distance that she would be able to halt her forces on natural defensive lines.

This she has not been able to do. The United Nations still hold bases on and from which it is possible for them to organize and launch striking forces to attack the Japanese positions, both new and old. These will be used amply and effectively as the war progresses.

And finally, it must be considered a weakness of the Japanese defensive ring that communications and transport must be carried on very largely by water. As we have seen only too clearly here at home, sea-borne communications are extremely vulnerable to attack. At worst they may be cut; at best they compel the defensive country to divert much of her naval strength to convoy and anti-submarine patrol. Japan is not a country which can replace her shipping losses easily, and it may well turn out that the steady attrition of her shipping, both mercantile and naval, may play a considerable part in her ultimate defeat.

But let me emphasize once again that these weaknesses will certainly not of themselves cause Japan to be defeated. They must be ex-

ploited—taken advantage of—by determined aggressive action by the United Nations. And that in turn can come about only if our Government has the determined and aggressive support of every one of us here at home. For in ultimate analysis victory or defeat does not lie in the hands of fighting men thousands of miles away. It does not rest with the generals or the admirals. It does not depend upon the Government in Washington. Victory depends upon us who are gathered here—ourselves and our millions of fellow countrymen who make up the American people.

The strength of the Japanese people lies in their fanatical obedience to authority. The great strength of the American people lies in their ability to think and act for themselves without waiting for orders from above. Our fathers tamed a continent without waiting for someone to tell them how to do it. It took no directive from the High Command to call Minute Men from their plows to battle. We ourselves can do no less. Let us not wait for our Government to do all our thinking for us. Our leaders in Washington already bear an immense burden. Let us not add to it by expecting them to lead us by the hand every step of the road to victory.

Let us remember one thing: it is our war.

NEGOTIATIONS FOR RELIEF TO AMERICAN PRISONERS OF WAR HELD BY JAPAN

[Released to the press September 18]

Immediately following the Japanese occupation of the Philippine Islands, efforts were made by the American Red Cross to locate a neutral ship of sufficient cargo capacity and cruising radius for the carriage of prisoner-of-war supplies to the Far East, including the Philippine Islands.

In the spring a suitable vessel was located, the Swedish ship *Vasaland*, then at Gothenburg. Efforts made by the American Red Cross through the International Red Cross to secure the assent of the German authorities to the departure of this ship from the Baltic proved

fruitless, following which the *Kanangoor*, a Swedish vessel now on the Pacific coast, was chartered with the expectation that it could be used for this purpose.

Supplementing the repeated efforts of the American Red Cross, made through the intermediary of the International Red Cross, to obtain from the Japanese Government a guarantee of safe conduct for this ship to carry supplies for American prisoners of war and civilian internees in Japanese custody, messages dated July 30, August 29, and September 1, 1942, respectively, were sent by the Secretary of State to the Japanese Government through

Swiss Government representing American interests in Japan. The message dated August 29 is printed in the *Bulletin* of September 5, 1942, page 741. The texts of the other messages are as follows:

"JULY 30, 1942.

Please request that Swiss Minister Tokyo be instructed to press for consent of Japanese Government to voyage from San Francisco to Manila via Kobe, Shanghai and Hong Kong of Swedish motorship *Kanangoora* which is being chartered by American Red Cross and operated by the International Red Cross to carry supplies for prisoners of war and civilian internees in the East. Please expedite report."

"SEPTEMBER 18, 1942.

The Government of the United States has read the Japanese Government's statement that it has never refused and will not refuse in the future to accept and to deliver parcels containing foodstuffs and clothing as provided for in Article 37 of the Geneva Prisoners of War Convention and is gratified to have official confirmation that supplies sent by the American Red Cross on the exchange ships will be distributed to American prisoners of war and civilian internees in Japan, in the Philippines, and in other areas under Japanese occupation.

The Government of the United States also noted the statement of the Japanese Government that it must maintain for the moment its refusal to allow, for strategic reasons, any vessel to cross the western Pacific and that the Japanese Government has no intention of sending to Lourenço Marques Japanese ships other than the exchange vessels.

The Government of the United States desires, however, to point out that the supplies already sent to the Philippine Islands are insufficient in quantity adequately to satisfy the continuing needs of American prisoners of war and civilian internees detained by the Japanese authorities. Furthermore, sufficient cargo space is not available on the exchange vessels to permit shipment of sufficient supplementary sup-

plies to serve the continuing needs of American nationals detained by the Japanese authorities in the Philippine Islands and in other areas under Japanese occupation.

"The Government of the United States, therefore, proposes again that the Japanese Government consent to the appointment of a neutral International Red Cross Committee delegate in the Philippine Islands to whom funds might be sent from the United States to be used in the purchase of local produce for distribution among American nationals in Japanese custody there. This Government confidently expects that as soon as the strategic reasons which the Japanese Government states are at present influencing it in refusing to permit neutral vessels to cross the western Pacific are no longer controlling, the Japanese Government will give safe conduct for the shipment of supplementary supplies from this country. Until that time, however, it is only by opening a means whereby funds may be provided to and used by a neutral Red Cross representative in the Philippine Islands that American nationals in Japanese custody in the Philippines may be furnished on a continuing basis the supplementary supplies which prisoners of war are entitled to receive under the Convention, which both Governments have agreed reciprocally to apply and to extend to civilian internees. In this connection, this Government desires to point out that the dietary habits of Americans are different from those of the Japanese people and that this Government is accordingly anxious to supplement the basic Japanese rations by supplies of a type more characteristic of the usual American diet.

"The attention of the Japanese Government is drawn to the fact that International Red Cross Committee delegates are permitted to function freely in the continental United States and the Territory of Hawaii in the distribution of relief among persons of Japanese nationality detained in the United States and Hawaii.

"The Government of the United States desires to know urgently whether or not the Japanese Government will henceforth grant full reciprocity in these respects."

REPORTED PLANS FOR CONSCRIPTION OF FRENCH LABOR FOR USE IN GER- MANY

A correspondent at the press conference of the Secretary of State on September 15 asked the Secretary whether he had any comment on the policy of the Vichy Government to conscript labor for possible use in Germany. In reply the Secretary said:

"Naturally this Government has been observing with special interest the recent reports about plans of the French Government at Vichy to send many thousands of French laborers into Germany for the purpose of furnishing labor to the German Government. This action, if carried out, would be of such aid to one of our enemies as to be wholly inconsistent with France's obligations under international law. The Government here is naturally observing closely this more recent announcement about the conscription of French labor, with a view to seeing whether it is part of the plan or purpose of the original undertaking which seems to have failed, according to reports, of getting great numbers of French laborers into Germany. This Government is accordingly observing, as I say, the developments with the same special interest as the first reports to which I have referred.

"I think today too is the deadline as it is called in relation to another policy which itself is astonishing and that relates to measures taken during recent weeks by the same governmental authorities against a large number of unfortunate people who sought to obtain refuge in France in accordance with its traditional hospitality. These policies include the delivery of these unhappy people to enemies who have announced and in considerable measure executed their intention to enslave, maltreat, and eventually exterminate them under conditions of the most extreme cruelty. The details of the measures taken are so revolting and so fiendish in their nature that they defy adequate description."

ATTEMPT TO CONSCRIPT CITIZENS OF LUXEMBOURG FOR THE GERMAN ARMY

[Released to the press September 13]

The Secretary of State, having been informed by the Minister of Luxembourg that Hitler was attempting to incorporate the Grand Duchy of Luxembourg into the Reich and to impose conscription into the German Army of the people of the Grand Duchy, an action which had brought about a general strike in Luxembourg, has sent the following note to Minister Hugues Le Gallais:

"SIR:

"The American people have followed with deep concern the attempt of the German Reich not only to force servitude upon the proud people of Luxembourg but in this, the latest effort to compel the youth of that country to serve in the German armed forces. The answer of the people of Luxembourg to this was a general strike. German force and cruelty may crush this strike, but it can never crush the indomitable spirit of the people of Luxembourg. Whatever badge of servitude Hitler may attempt to force upon the youth of that country, the American people are confident their spirit will always remain that of free men striving for their country's independence.

"Accept [etc.]

CORDELL HULL

APPOINTMENT OF SPECIAL ASSISTANT IN LONDON IN CHARGE OF ECONOMIC WARFARE ACTIVITIES

[Released to the press September 14]

Mr. Winfield Riefler, of the Board of Economic Warfare, has been appointed Special Assistant to the American Ambassador in London with the rank of Minister, and has arrived in London.

Mr. Riefler will supervise the activities of the Economic Warfare Division of the Embassy, the channel for communication between the Department of State, the Board of Economic Warfare,

warfare, and other United States Government agencies (except the armed forces) and the British Ministry of Economic Warfare.

Mr. Riefler spent several months in London earlier this year as a special representative of the Board of Economic Warfare, attached to the staff of the American Embassy. He has returned to London to assume the duties of his assignment which, among others, will be to analyze, report on, and maintain representation committees concerned with economic-warfare activities in which the United States and Great Britain are jointly engaged.

American Republics

ANNIVERSARIES OF INDEPENDENCE

BRAZIL

[Released to the press September 16]

The following telegram has been received by the Secretary of State from the Minister of Foreign Affairs of Brazil in reply to the former's telegram upon the occasion of the anniversary of the independence of Brazil:¹

"SEPTEMBER 14, 1942.

At this time when the Brazilian people, together with the people of the American States and those of the other free and civilized nations, fighting against aggression in defense of the rights of justice and freedom, it was a special pleasure to me to receive the congratulations of Your Excellency which was so good as to send to my Government and to me personally on the occasion of the anniversary of Brazil's independence. Thanking you once more for your demonstration of solidarity, I beg you to accept the wishes which I express for Your Excellency's personal happiness.

OSWALDO ARANHA"

¹Bulletin of September 12, 1942, p. 752.

CHILE

[Released to the press September 18]

The following telegram was sent by the President of the United States to His Excellency Juan Antonio Ríos, President of the Republic of Chile, upon the occasion of the anniversary of the declaration of independence of Chile:

"SEPTEMBER 18, 1942.

"Upon this anniversary of the declaration of the independence of Chile it gives me pleasure to send to Your Excellency my most cordial greetings and sincere wishes for the progress and prosperity of your great country. The people of the United States share with the people of Chile and with the other free peoples of the world a common responsibility to uphold the principles of democracy and those individual freedoms which are the essence of a progressive civilization.

"I look forward with pleasure to Your Excellency's approaching visit and feel confident that it will serve to strengthen still further the ties of friendship already uniting our countries.

"Accept [etc.] FRANKLIN D ROOSEVELT"

COSTA RICA

[Released to the press September 16]

The text of a telegram from the President of the United States to His Excellency Dr. Don Rafael Angel Calderón Guardia, President of the Republic of Costa Rica, upon the occasion of the anniversary of the independence of Costa Rica, follows:

"SEPTEMBER 15, 1942.

"In the year that has passed since the last celebration of this memorable day, our two countries have taken up arms to uphold with other free countries in this hemisphere, and throughout the world, the sacred principles and the priceless human heritage which our two peoples are proud to share. In a spirit of more than usual solemnity I send to you and to the Costa Rican people my warm greetings and good wishes and those of the people of the

United States on this anniversary of the independence of Costa Rica.

"The United States has noted with admiration the vigor with which Costa Rica has answered the challenge of aggression and contributed to the struggle which can only end in our common victory.

"With most cordial personal remembrances and good wishes for your health and prosperity.

FRANKLIN D ROOSEVELT"

EL SALVADOR

[Released to the press September 16]

The text of a telegram from the President of the United States to His Excellency General Maximiliano Hernández Martínez, President of the Republic of El Salvador, upon the occasion of the anniversary of the independence of El Salvador, follows:

"SEPTEMBER 15, 1942.

"On the anniversary of the independence of El Salvador, I am glad to extend to you and your people my warmest greetings and felicitations.

"Today, our two countries together with other free nations throughout the world are allied in the cause of freedom, which has been everywhere challenged by barbarous enemies who seek to destroy it. On this day of Salvadoran independence, I assure you that the significant contribution of your government and of the people of El Salvador toward this great cause will hasten the day, when, through our united efforts, we shall achieve the final victory and restore to their rightful place those principles for which we are fighting.

"I take [etc.] FRANKLIN D ROOSEVELT"

GUATEMALA

[Released to the press September 16]

The text of a telegram from the President of the United States to His Excellency General Jorge Ubico, President of the Republic of

Guatemala, upon the occasion of the anniversary of the independence of Guatemala, follows:

"SEPTEMBER 15, 1942.

"On the occasion of the 121st anniversary of the independence of Guatemala, I am especially happy to send to you and to the people of Guatemala heartiest congratulations and best wishes for myself and for the people of the United States. Guatemala and the United States, together with the free nations of the whole world are united in a bitter struggle against barbaric enemies seeking to destroy the very freedom which we celebrate with you today. We are confident of victory, since truth is invincible.

"The spirit and ideals which motivated the Guatemalan people to assert their independence more than a century ago, find new expression in the notable contributions of Guatemala to the common war effort of the United Nations.

"Ideals to which we reconsecrate ourselves on these national holidays are the surest guarantee of our common triumph.

"I take [etc.] FRANKLIN D ROOSEVELT"

HONDURAS

[Released to the press September 16]

The text of a telegram from the President of the United States to His Excellency General Tiburcio Carías Andino, President of the Republic of Honduras, upon the occasion of the anniversary of the independence of Honduras, follows:

"SEPTEMBER 15, 1942.

"On this memorable anniversary, I am glad to send to you, and to the Honduran people, cordial greetings and good wishes and those of the people of the United States.

"The celebration of the day of the independence of Honduras exalts principles and ideals held in common by our two countries. In the defense they have now joined with other free countries in the American hemisphere throughout the world.

In the noble spirit of this day, Honduras is contributing valiantly to the steadily growing power that free peoples must make and are facing to the brutal challenge of aggression. Inspired by this spirit, we shall go forward to victory.

take [etc.] FRANKLIN D ROOSEVELT"

NICARAGUA

Released to the press September 16]

The text of a telegram from the President of the United States to His Excellency General Anastasio Somoza, President of the Republic of Nicaragua upon the occasion of the anniversary of the independence of Nicaragua, follows:

"SEPTEMBER 15, 1942.

On this anniversary of the independence of Nicaragua our two countries are joined with other free countries in this hemisphere, and throughout the world, in armed resistance to a common enemy. The very spirit animates the celebration of such a day. It is a solemn sense of the significance of this anniversary, and with a deep sentiment of friendship, I send to you and to the Nicaraguan people my warm greetings and felicitations and to the people of the United States.

Under the inspiration of the ideals exalted in this celebration, Nicaragua has made vigorously to the challenge of aggression. I am confident that, under the same noble inspiration, your country will press on to final victory.

take [etc.] FRANKLIN D ROOSEVELT"

RUBBER AGREEMENT WITH PANAMA

Released to the press September 14]

The signing of a rubber agreement with Panama was announced on September 14 by the Department of State, the Rubber Reserve Company and the Board of Economic Warfare.

Under the terms of the agreement the Rubber Reserve Company will purchase, until December 1, 1946, all rubber produced in Panama which is not required for essential domestic

DEATH OF EX-PRESIDENT TERRA OF URUGUAY

[Released to the press September 16]

The Secretary of State, when asked for comment regarding the death of the ex-President of Uruguay, Dr. Gabriel Terra (1931-38), which occurred on September 15, said:

"He was a great and good man. He had a passion for serving the masses of the people. He did serve them faithfully and well. His record of efficient service will long stand out in the history of his country."

The Far East

ANNIVERSARY OF THE MUKDEN INCIDENT

[Released to the press September 17]

In response to inquiries by press correspondents as to whether he wished to comment on the anniversary of the Mukden incident, the Secretary of State made the following statement:

"September 18, as the whole world knows, marks the eleventh anniversary of a fateful step of aggression in Manchuria by the Japanese warlords. The course of aggression there embarked upon was followed by successive aggressions in Asia, Africa, and Europe and has led step by step to the present world conflict.

"The American Government and people admire sincerely the gallant resistance offered by the Government and people of China to the ruthless and lawless Japanese aggressor. We are confident that the military efforts of free peoples, which have been the inevitable answer to brutal and predatory Japanese attacks upon peaceful populations, will defeat and destroy the military caste that controls Japan.

The Department

APPOINTMENT OF OFFICERS

Mr. Lester S. Dame was designated an Acting Assistant Chief of the American Hemisphere Exports Office, effective September 15, 1942 (Departmental Order 1090).

Mr. Honoré Marcel Catudal was designated an Assistant Chief of the Division of Commercial Policy and Agreements, effective September 16, 1942 (Departmental Order 1091).

Treaty Information

PUBLICATIONS

Agreement With Iceland

An agreement for the exchange of official publications between the Government of the United States of America and the Government of Iceland was entered into by an exchange of notes dated August 17, 1942.

The agreement, which entered into effect on August 17, 1942, provides that the exchange offices for the transmission of publications shall be, on the part of the United States of America, the Smithsonian Institution, and, on the part of Iceland, the National Library of Iceland (Landsbokasafn Islands). The Library of Congress shall receive, on behalf of the United States, the publications to be exchanged, and the National Library of Iceland shall receive the publications on behalf of Iceland. Each Government furnished to the other a list of the publications which it agreed to remit, and each Government agreed to bear the postal, railroad, steamship, and other charges arising in its own country and to expedite the shipments as far as possible. The agreement will shortly be printed in the Executive Agreement Series.

STRATEGIC MATERIALS

Rubber Agreement With Panama

A statement regarding the signing of a rubber agreement between the United States of America and the Government of Panama appears in this *Bulletin* under the heading "American Republics".

Legislation

Draft of proposed provision pertaining to appropriation "Salaries of Ambassadors and Ministers": Communication from the President of the United States transmitting a draft of a proposed provision pertaining to the appropriation "Salaries of Ambassadors and Ministers" contained in the Department of State Appropriation Act for the Fiscal Year 1943. [Provides funds for salary of Mr. Joseph C. Grew, recently Ambassador to Japan.] H. Doc. 838, 77th Cong. 2 pp.

Sixth Report to Congress on Lend-Lease Operations: Message from the President of the United States. H. Doc. 839, 77th Cong. 30 pp.

Revenue Act of 1942: Hearings before the Committee on Finance, U. S. Senate, 77th Cong., 2d sess. H. R. 7378, an act to provide revenue, and for other purposes. (Revised.) August 10, 11, 12, 13, and 14, 1942. Vol. 2. [Includes letters from the Secretary of State regarding tax increases on cigars and connection with the proposed tax on imported bituminous coal.] pp. xii, 1300-2

Publications

DEPARTMENT OF STATE

Reciprocal Trade: Agreement Between the United States of America and the Republic of Cuba Signed at Washington August 24, 1934 As Amended by Supplementary Agreements Signed at Washington December 18, 1939 and at Habana December 1941, and Protocol and Exchanges of Notes. Publication 1787. vi, 56 pp. 10¢.

Diplomatic List, September 1942. Publication 1787. ii, 101 pp. Subscription, \$1 a year; single copy, 10¢.

U. S. GOVERNMENT PRINTING OFFICE: 1942

For sale by the Superintendent of Documents, Washington, D. C.—Price, 10 cents - - - Subscription price, \$2.75 a year. PUBLISHED WEEKLY WITH THE APPROVAL OF THE DIRECTOR OF THE BUREAU OF THE BUDGET

Ref.

THE DEPARTMENT OF STATE

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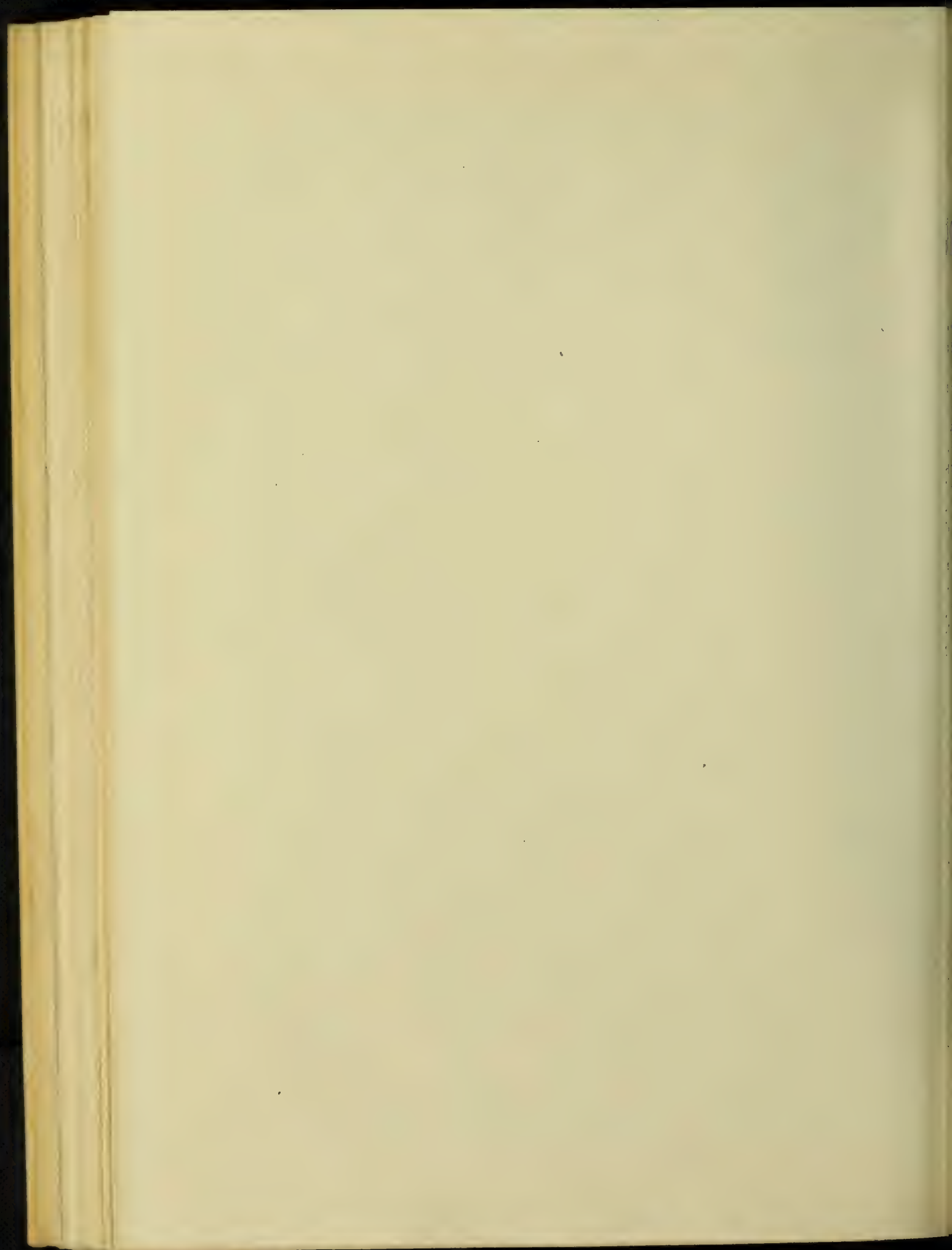
18 1942

UNIVERSITY OF ILLINOIS

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e War

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN¹

to the press September 22]

"I won't let it happen here." It must and shall not happen here. There is a ring of determination in those words that inevitably reminds one of the old spirit of Verdun: "They shall not pass!" Surely every American, every red-blooded American—and we are a red-blooded people—from ocean to ocean and from frontier to frontier of our great land cannot fail to thrill at these decisive words. Already we are picking out the vintage where the grapes of wrath are stored"; we have "loosed the fate-binding of our terrible swift sword"; and by month and day by day that stalwart arm of ours that holds the sword grows stronger and stronger and stronger. "It shall not pass!" "It must not happen

I have recently returned from Japan. I have lived in Japan for the past 10 years. I know the Japanese people, and I know something of the Japanese military machine, which includes their Army and their Navy, their air force, their merchant marine, now almost entirely converted to transports and to carriers and submarines. I know the fighting spirit of the Japanese soldier and sailor and airman, their fanatical determination to serve their emperor and their nation to the death, and the rigorous training which they have undergone for many years—at least a generation. I called their campaign in China their "War". I do not know what slogan they

delivered by the Honorable Joseph C. Grew at the Nurses' Aid Rally at Rockefeller Center, New York, N. Y., on September 22, 1942, and broadcast on WJZ.

have attached to this total war, but it cannot be less strong. Their decisiveness and determination are in no way less than ours; their whole country and every man and woman in their country are geared to total war. That military system of theirs has developed a formidable and grim machine; their men on many fronts are fighting and will continue to fight like veritable tigers; their factories at home are steadily turning out the implements of war; their ships are steadily carrying those implements of war and the supplies needed both abroad and at home; and their women, both at home and in the field, are supporting their men with that same fanatical loyalty and valor, for their women too are made of strong stuff. The issue is joined. I know and you know what they are saying, those men and women of Japan: "It shall happen there!"—in these our United States.

To us who have recently returned from that land of fanatical unity and determination and utter devotion to a cause which they themselves have been told is a just cause and which not all of them but most of them believe to be a just cause, it is inconceivable that any of our fellow countrymen whose eyes are open to the facts, who understand that this great land of ours, the priceless heritage of our American citizenship, and the freedom and the duties that are part and parcel of that citizenship are in peril—it is inconceivable that any American can continue to follow his or her accustomed rounds as in times of peace. I say in peril and I mean in peril. We who lived in the Far East do not easily forget the rape of Nanking, the details of which are far too revolting to mention here;

we do not easily forget the *Panay* or the bombing of two or three hundred of our religious missions throughout China, unquestionably a definite, concerted program to drive all American interests out of China. When I protested, the Japanese authorities used to say that these bombings were accidental. I replied that two or three accidents might happen but not two or three hundred accidents. The Chinese used to say that when a bombing attack occurred the most dangerous spot in the town and the one to get farthest away from was the American mission. Nor can we forget many of those old personal friends who appeared on the evacuation ships—shadows of their former selves after the long months of solitary confinement and the tortures they had suffered. These things we cannot forget. They who have suffered can

never forget. That is the sort of peril that confronts our own beloved land today.

Women of America, the Red Cross needs you. Here is your opportunity to serve. You and I believe you will, welcome this opportunity with joy. It is only through the maximum effort of the individual that the maximum of our country can be welded into form. Our service will support and strengthen and enage the valor and fighting spirit of our men at the front. Will you leave them to do it alone? You, also, may trample out the grapes where the grapes of wrath are stored. You, also, with our fighting men, may say: "It shall not pass." You, also, may say: "It shall not happen here!"—if only you will volunteer and serve our Nation in its hour of peril.

LEND-LEASE OPERATIONS

The President, on September 11, 1942, transmitted to the Congress the sixth quarterly report on operations under the Lend-Lease Act of March 11, 1941. In his letter of transmittal, the President said:

"As our men move overseas to battle they must and will have sufficient quantities of the best equipment the United States can produce. At the same time we must provide more weapons to the armies of our allies already in the fighting lines. Britain has been fighting the Nazis for three years, China is in her sixth year of war, and in Russia the war's greatest land front is more than a year old. From the beginning they have carried on without enough guns or tanks or planes. It is through their uphill fight that the war has not been lost. Only by strengthening our allies and combining their strength with ours can we surely win.

"Deliveries of lend-lease supplies, which have been growing, will have to grow much larger still. We and the other United Nations need all the weapons that all of us can produce and all the men that all of us can muster. In relation to their available resources Britain and Russia have up to now produced more weapons than we have. And they are continuing to pro-

duce to the limit, in spite of the fact that Britain is a battlefield and Britain an offensive. So far the United States has little more than passed the halfway mark towards maximum possible war production. Not until we have reached the maximum—and we can do this by stripping our civilian economy to the bone—can our fighting men and those of our allies be assured of the vastly greater quantities of weapons required to turn the tide. Not until we can see the United Nations march forward to certain victory."

The report stated that the total amount of lend-lease aid from March 1941 through August 1942 was \$6,489,000,000. Of this \$5,129,000,000 comprises the value of goods transferred and of services rendered; the remainder, \$1,360,000,000, represents the value of lend-lease goods in process on August 1, 1942. Currently, aid is being provided at the rate of approximately \$8,000,000,000 annually.

Goods transferred consist of military equipment such as planes, tanks, guns, and other weapons; industrial products, such as steel, tools, and petroleum products; and agricultural commodities, chiefly foodstuffs. Of the goods transferred, approximately 90 percent have

ted and the remainder are at docks and houses awaiting exportation.

Services rendered include repairs in the United States to United Nations' shipping; new dry and shipyard facilities in the United States for production of lend-lease goods; necessary shipping for transporting materials to lend-lease countries; supply services performed in lend-lease areas abroad; and training of United Nations' air forces in the United States.

The value of goods in process represents the value of articles ready to be transferred or articles for use in the assembly of other articles which will shortly be transferred. This should be compared with goods "on order" but representing completed work for which expenditures have been made.

Lend-lease exports have gone to the regions where the needs have been greatest. At first, during the battle of Britain was raging, they went primarily to the United Kingdom. As the war spread to Africa, the Middle East, Australia, and the Soviet Union, aid went to those regions.

Aid to China has been hampered by transportation difficulties, but this situation is being solved by the development of other methods of transportation. Currently, the United Kingdom and the Soviet Union are each receiving about 35 percent of lend-lease materials and the Middle East, Australia, and other regions are receiving the remaining 30 percent. Before the Lend-Lease Act was passed our Government made contracts with American manufacturers for production of planes, tanks, and munitions. These are still coming off the assembly lines and are being exported simultaneously with items obtained under lend-lease. From March 1941 through August 1942, the total value of goods actually exported under lend-lease was \$3,525,000,000; in the same period the value of goods purchased directly by lend-lease countries approximated \$5,800,000,000.

Under the Lend-Lease Act and with lend-lease funds there is opportunity for testing and developing new ideas and special projects that will help to win the war. To facilitate effective use of lend-lease aid under frequently difficult conditions, a program is under way with

lend-lease funds to construct various types of small craft, including harbor tugs, coastal tankers, light-draft tow boats and cargo vessels, and small wood barges for use in shallow rivers and harbors with no modern cargo-handling facilities. Some of these craft are already in service; others will go into commission shortly.

The Lend-Lease Act provided that aid may be extended to the government of any country whose defense the President should deem vital to the defense of the United States. Those countries now include Argentina, Belgium,¹ Bolivia,¹ Brazil,¹ British Commonwealth of Nations,² Chile, China,¹ Colombia,¹ Costa Rica,¹ Cuba,¹ Czechoslovakia,¹ Dominican Republic,¹ Ecuador,¹ Egypt, El Salvador,¹ France (Fighting),¹ Greece,¹ Guatemala, Haiti,¹ Honduras,¹ Iceland,¹ Iran, Iraq, Mexico,¹ Netherlands,¹ Nicaragua,¹ Norway,¹ Panama, Paraguay,¹ Peru,¹ Poland,¹ Turkey, U. S. S. R.,¹ Uruguay,¹ Venezuela,¹ and Yugoslavia.¹

The program of reciprocal lend-lease aid has become a very important aspect of the prosecution of the war. Formal reciprocal-aid agreements, signed September 3, 1942 with the United Kingdom, Australia, New Zealand, and Fighting France,³ specify the kinds of articles, services, facilities, and information which these countries undertake to supply to the United States for the joint prosecution of the war. The report points out that this represents more than a gracious gesture of good-will; it means using the war resources of the United Nations in the most economical way. It means a saving in time and an aid in solving our supply problems by application of the principle that "the war production and war resources of each nation should be used by all United Nations' forces in ways which most effectively utilize the available materials, manpower, production facilities, and shipping space".

¹ Countries with which agreements for lend-lease aid have been signed.

² A lend-lease agreement has been signed with the United Kingdom of Great Britain and Northern Ireland, the principles of which were accepted by the Governments of Australia and New Zealand.

³ *Bulletin* of September 5, 1942, p. 734.

PROCLAIMED LIST: SUPPLEMENT 2 TO REVISION III

[Released to the press September 21]

The Secretary of State, acting in conjunction with the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Acting Coordinator of Inter-American Affairs, on September 21 issued Supplement 2 to Revision III of the Proclaimed List of Certain Blocked Nationals, promulgated August 10, 1942.¹

Part I of this supplement contains 227 additional listings in the other American republics and 16 deletions. Part II contains 137 additional listings outside the American republics and 5 deletions.

The Department

APPOINTMENT OF OFFICERS

Mr. Joseph C. Grew, on September 1, 1942, was appointed a Special Assistant to the Secretary of State and will perform such duties as may from time to time be assigned to him in this capacity by the Secretary (Departmental Order 1095).

Cultural Relations

ADVISORY COMMITTEES TO THE DEPARTMENT OF STATE

On September 25, 1942 the Department of State released to the press the membership for 1942-43 of the General Advisory Committee on Cultural Relations; the Advisory Committee on Exchange Fellowships and Professorships; the Advisory Committee on the Adjustment of Foreign Students in the United States; and the Advisory Committee on Inter-American Cooperation in Agricultural Education. These

¹ 7 Federal Register 7422.

Committees, created under authority of the Act of August 9, 1939, entitled "An Act to authorize the President to render closer and more effective the relationship between the American people and the peoples of the other American republics", advise the Department, through the Division of Cultural Relations, on special phases of the cultural-relations program. It has been agreed that these Committees will serve jointly the Office of the Coordinator of Inter-American Affairs and the Department of State.

The members of each Committee for 1942-43 are as follows:

General Advisory Committee on Cultural Relations

The Honorable Henry A. Wallace, Vice President of the United States of America, Washington, D.C.

Robert G. Caldwell, Ph.D., Dean of Humanities, Massachusetts Institute of Technology, Cambridge, Mass.

Ben M. Cherrington, Ph.D., Director of the Foundation for the Advancement of the Social Sciences, University of Denver, Denver, Colo.

Stephen P. Duggan, Ph.D., Director, Institute of International Education, 2 West Fort Street, New York, N.Y.

Waldo G. Leland, Litt.D., Director, American Council of Learned Societies, 1219 Sixteenth Street NW., Washington, D.C.

The Honorable Archibald MacLeish, Librarian of Congress, Washington, D.C.

Mr. Carl H. Milam, Executive Secretary, American Library Association, 520 North Michigan Avenue, Chicago, Ill.

Beardsley Ruml, Ph.D., Treasurer, R. H. Macy Company, New York, N.Y.

James T. Shotwell, Ph.D., Chairman, National Committee of the United States of America for International Intellectual Cooperation, 405 West One Hundred and Seventeenth Street, New York, N.Y.

George N. Shuster, Ph.D., President, Hunter College, New York, N.Y.

John W. Studebaker, LL.D., Commissioner of Education, Federal Security Agency, Washington, D.C.

Advisory Committee on Exchange Fellowships and Professorships

Stephen P. Duggan, Ph.D., Director, Institute of International Education, 2 West Fort Street, New York, N.Y.

² Bulletin of May 17, 1941, p. 603.

ert L. Barrows, Ph.D., Executive Secretary, National Research Council, 2101 Constitution Avenue NW., Washington, D.C.
 rtin McGuire, Ph.D., Dean, Graduate Schools of Arts and Sciences, Catholic University of America, Washington, D.C.
 ldo G. Leland, Litt.D., Director, American Council of Learned Societies, 1219 Sixteenth Street NW., Washington, D.C.
 Rex Crawford, Ph.D., Professor of Sociology, University of Pennsylvania, Philadelphia, Pa.
 ald Young, Research Secretary, Social Science Research Council, 230 Park Avenue, New York, N.Y.

ory Committee on the Adjustment of Foreign students

ar J. Fisher, Ph.D., Assistant Director, Institute of International Education, 2 West Forty-fifth Street, New York, N.Y.
 mas E. Jones, President, Fisk University, Nashville, Tenn.
 fessor Gladys Bryson, Smith College, Northampton, Mass.
 M. Cherrington, Ph.D., Director of the Foundation for the Advancement of the Social Sciences, University of Denver, Denver, Colo.
 rles W. Hackett, Ph.D., Professor of Latin-American History, University of Texas, Austin, Tex.

Allan Blaisdell, Director, International House, Berkeley, Calif.
 Father George B. Ford, Columbia University, New York, N.Y.
 J. Raleigh Nelson, Ph.D., Director of the International Center, University of Michigan, Ann Arbor, Mich.

Advisory Committee on Inter-American Cooperation in Agricultural Education

Thomas Barbour, Ph.D., Sc.D., Director, Museum of Comparative Zoology, Harvard University, Cambridge, Mass.
 Earl N. Bressman, Ph.D., Chief, Agricultural Division, Office of the Coordinator of Inter-American Affairs, Washington, D.C.
 Homer J. Henney, Ph.D., Dean of Agriculture, Colorado State College, Fort Collins, Colo.
 H. Harold Hume, Dean, College of Agriculture, University of Florida, Gainesville, Fla.
 John C. Patterson, Ph.D., Chief, Division of Inter-American Educational Relations, United States Office of Education, Federal Security Agency, Washington, D.C.
 Knowles A. Ryerson, M.S., Dean, College of Agriculture, University of California, Davis, Calif.
 T. W. Schultz, Ph.D., Iowa State College, Ames, Iowa.
 J. G. Lee, Jr., Dean, College of Agriculture, Louisiana State University, University, La.

Treaty Information

LIANCE AND MUTUAL ASSISTANCE

y Between the United Kingdom of Great Britain and Northern Ireland and the Union of Soviet Socialist Republics

ere is printed below the text of the treaty of alliance in the war against Hitlerite Germany and her associates in Europe and of collaboration and mutual assistance thereafter, signed at London between the United Kingdom of Great Britain and Northern Ireland and the Union of Soviet Socialist Republics on May 26, 1942. The text of the treaty, with the omission

of footnotes, is printed from British Treaty Series No. 2 (1942), Cmd. 6376. Ratifications of the treaty were exchanged at Moscow on July 4, 1942.

"His Majesty The King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, and the Presidium of the Supreme Council of the Union of Soviet Socialist Republics;

"Desiring to confirm the stipulations of the Agreement between His Majesty's Government in the United Kingdom and the Government of the Union of Soviet Socialist Republics for joint

action in the war against Germany, signed at Moscow on the 12th July, 1941,¹ and to replace them by a formal treaty;

"Desiring to contribute after the war to the maintenance of peace and to the prevention of further aggression by Germany or the States associated with her in acts of aggression in Europe;

"Desiring, moreover, to give expression to their intention to collaborate closely with one another as well as with the other United Nations at the peace settlement and during the ensuing period of reconstruction on the basis of the principles enunciated in the declaration made on the 14th August, 1941 by the President of the United States of America and the Prime Minister of Great Britain² to which the Government of the Union of Soviet Socialist Republics has adhered;

"Desiring, finally, to provide for mutual assistance in the event of an attack upon either High Contracting Party by Germany or any of the States associated with her in acts of aggression in Europe.

"Have decided to conclude a treaty for that purpose and have appointed as their Plenipotentiaries:—

"His Majesty The King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India,

"For the United Kingdom of Great Britain and Northern Ireland: The Right Honourable Anthony Eden, M.P., His Majesty's Principal Secretary of State for Foreign Affairs;

"The Presidium of the Supreme Council of the Union of Soviet Socialist Republics:

"M. Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs,

"Who, having communicated their Full Powers, found in good and due form, have agreed as follows:—

"PART I.

"ARTICLE I.

"In virtue of the alliance established between the United Kingdom and the Union of Soviet Socialist Republics the High Contracting Par-

ties mutually undertake to afford one another military and other assistance and support of all kinds in the war against Germany and all the States which are associated with her in acts of aggression in Europe.

"ARTICLE II.

"The High Contracting Parties undertake not to enter into any negotiations with the Hitler Government or any other Government in Germany that does not clearly renounce all aggressive intentions, and not to negotiate or conclude except by mutual consent any armistice or peace treaty with Germany or any other State associated with her in acts of aggression in Europe.

"PART II.

"ARTICLE III.

"(1) The High Contracting Parties declare their desire to unite with other like-minded States in adopting proposals for common action to preserve peace and resist aggression in the post-war period.

"(2) Pending the adoption of such proposals, they will after the termination of hostilities take all the measures in their power to prevent impossible a repetition of aggression and violation of the peace by Germany or any of the States associated with her in acts of aggression in Europe.

"ARTICLE IV.

"Should one of the High Contracting Parties during the post-war period become involved in hostilities with Germany or any of the States mentioned in Article III (2) in consequence of an attack by that State against that Party, the other High Contracting Party will at once give to the Contracting Party so involved in hostilities all the military and other support and assistance in his power.

"This Article shall remain in force until the High Contracting Parties, by mutual agreement, shall recognise that it is superseded by the adoption of the proposals contemplated in Article III (1). In default of the adoption of such proposals, it shall remain in force for a period of twenty years, and thereafter until terminated by either High Contracting Party, as provided in Article VIII.

¹ *Bulletin* of September 27, 1941, p. 240.

² *Bulletin* of August 6, 1941, p. 125.

"ARTICLE V.

The High Contracting Parties, having regard to the interests of the security of each of them, agree to work together in close and friendly collaboration after the re-establishment of peace for the organization of security and economic prosperity in Europe. They will take into account the interests of the United Nations in these objects, and they will act in accordance with the two principles of not seeking territorial aggrandisement for themselves and of non-interference in the internal affairs of other States.

"ARTICLE VI.

The High Contracting Parties agree to render one another all possible economic assistance during the war.

"ARTICLE VII.

Each High Contracting Party undertakes not to conclude any alliance and not to take part in any coalition directed against the other High Contracting Party.

"ARTICLE VIII.

The present Treaty is subject to ratification at the shortest possible time and the instruments of ratification shall be exchanged in Moscow as soon as possible.

"It comes into force immediately on the exchange of the instruments of ratification and shall thereupon replace the Agreement between the Government of the Union of Soviet Socialist Republics and His Majesty's Government in the United Kingdom, signed at Moscow on the 12th July, 1941.

"Part I of the present Treaty shall remain in force until the re-establishment of peace between the High Contracting Parties and Germany and the Powers associated with her in acts of aggression in Europe.

"Part II of the present Treaty shall remain in force for a period of twenty years. Thereafter, unless twelve months' notice has been given by either Party to terminate the Treaty at the end of the said period of twenty years, it shall continue in force until twelve months after either High Contracting Party shall have given notice to the other in writing of his intention to terminate it.

"In witness whereof the above-named Plenipotentiaries have signed the present Treaty and have affixed thereto their seals.

"Done in duplicate in London on the 26th day of May, 1942, in the English and Russian languages, both texts being equally authentic.

ANTHONY EDEN.

V. MOLOTOV."

Publications

DEPARTMENT OF STATE

During the quarter beginning July 1, 1942 the following publications have been released by the Department:¹

1. The Department of State of the United States. Prepared by William Gerber, Division of Research and Publication. January 1942. vi, 91 pp., illus. 5¢.

2. Reciprocal Trade: Agreement Between the United States of America and Haiti Relating to Waiver in Respect of Tariff Preferences Accorded the Dominican

Serial numbers which do not appear in this list have appeared previously or will appear in subsequent lists.

Republic by Haiti Under a Treaty of Commerce Between Haiti and the Dominican Republic Signed August 26, 1941—Effectuated by exchange of notes signed February 16 and 19, 1942. Executive Agreement Series 238. 4 pp. 5¢.

1758. Exchange of Official Publications: Agreement Between the United States of America and Liberia—Effectuated by exchange of notes signed January 15, 1942; effective January 15, 1942. Executive Agreement Series 239. 6 pp. 5¢.

1759. International Traffic in Arms: Regulations Issued on June 2, 1942 by the Secretary of State, Governing Registration and Licensing Under Section 12 of the Joint Resolution Approved November 4, 1939 and Related Laws. 8th ed. 51 pp. 10¢.

1760. Exchange of Official Publications: Agreement Between the United States and Panama—Effectuated by exchange of notes signed November 27, 1941 and March 7, 1942; effective November 27, 1941. Executive Agreement Series 243. 7 pp. 5¢.
1761. The Department of State Bulletin, vol. VI, no. 157, June 27, 1942. 15 pp. 10¢.¹
1762. Reciprocal Trade: Agreement Between the United States of America and Haiti Construing Certain Provisions of the Trade Agreement of March 28, 1935 and Modifying the Agreement Effectuated by Exchange of Notes Signed February 16 and 19, 1942—Effectuated by exchange of notes signed April 25, 1942. Executive Agreement Series 252. 4 pp. 5¢.
1763. The Proclaimed List of Certain Blocked Nationals. Supplement 4, July 17, 1942, to Revision II of May 12, 1942. 19 pp. Free.
1764. Diplomatic List, July 1942. ii, 101 pp. Subscription, \$1 a year; single copy, 10¢.
1765. The Department of State Bulletin, vol. VII, no. 158, July 4, 1942. 24 pp. 10¢.
1766. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and China—Signed at Washington June 2, 1942; effective June 2, 1942. Executive Agreement Series 251. 3 pp. 5¢.
1767. Publications of the Department of State (a list cumulative from October 1, 1929). July 1, 1942. 31 pp. Free.
1769. Application of Selective Training and Service Act of 1940, As Amended, to Canadians in the United States, and Reciprocal Treatment of American Citizens in Canada: Agreement Between the United States of America and Canada—Effectuated by exchange of notes signed March 30 and April 6 and 8, 1942. Executive Agreement Series 249. 6 pp. 5¢.
1770. The Department of State Bulletin, vol. VII, no. 159, July 11, 1942. 28 pp. 10¢.
1771. The American Foreign Service: General Information for Applicants and Sample Entrance-Examination Questions. Revised to June 1, 1942. iv, 150 pp. Free.
1772. The Department of State Bulletin, vol. VII, no. 160, July 18, 1942. 10 pp. 10¢.
1773. The War and Human Freedom: Address by Cordell Hull, Secretary of State, over the National Radio Networks, July 23, 1942. 18 pp. 5¢.
1774. The Proclaimed List of Certain Blocked Nationals. Supplement 5, July 31, 1942, to Revision II of May 12, 1942. 16 pp. Free.
1775. The Department of State Bulletin, vol. VII, no. 161, July 25, 1942. 18 pp. 10¢.
1776. Foreign Service List, July 1, 1942. iv, 115 pp. Subscription, 50¢ a year; single copy, 15¢.
1777. Transfers of Citizens and Former Citizens between Armed Forces: Agreement Between the United States of America and Canada—Effectuated by exchange of notes signed March 18 and 20, 1942. Executive Agreement Series 245. 4 pp. 5¢.
1778. The Department of State Bulletin, vol. VII, no. 162, August 1, 1942. 27 pp. 10¢.
1779. The Proclaimed List of Certain Blocked Nationals: Revision III, August 10, 1942, Promulgated Pursuant to Proclamation 2497 of the President of the United States, July 17, 1941. 230 pp. Free.
1780. Diplomatic List, August 1942. ii, 101 pp. Subscription, \$1 a year; single copy, 10¢.
1781. Index to the Department of State Bulletin, vol. VI, nos. 132–157, January 3–June 27, 1942. 27 pp. Free.
1782. The Department of State Bulletin, vol. VII, no. 163, August 8, 1942. 12 pp. 10¢.
1783. Military Highway to Alaska: Agreement Between the United States of America and Canada—Effectuated by exchange of notes signed March 17 and 18, 1942. Executive Agreement Series 246. 5 pp. 5¢.
1784. The Department of State Bulletin, vol. VII, no. 161A, July 25, 1942, Supplement: Trade Agreement Between the United States of America and Uruguay. 28 pp. 10¢.
1785. The Department of State Bulletin, vol. VII, no. 164, August 15, 1942. 12 pp. 10¢.
1786. Exchange of Official Publications: Agreement Between the United States of America and Bolivia—Effectuated by exchange of notes signed January 26 and 27, 1942; effective January 31, 1942. Executive Agreement Series 242. 9 pp. 5¢.
1787. Reciprocal Trade: Agreement Between the United States of America and the Republic of Cuba—Signed at Washington August 24, 1934 as Amended by Supplementary Agreements Signed at Washington December 18, 1939 and at Habana December 23, 1942, and Protocol and Exchanges of Notes. vi, 56 pp. Free.
1788. The Proclaimed List of Certain Blocked Nationals. Supplement 1, August 28, 1942, to Revision III of August 10, 1942. 23 pp. Free.
1789. The Department of State Bulletin, vol. VII, no. 165, August 22, 1942. 10 pp. 10¢.
1790. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and the United Kingdom of Great Britain and Northern Ireland—Signed at Washington February 23, 1942; effective February 23, 1942. Executive Agreement Series 241. 3 pp. 5¢.
1792. The Department of State Bulletin, vol. VII, no. 166, August 29, 1942. 10 pp. 10¢.
1793. Unemployment Insurance Benefits: Agreement Between the United States of America and Canada—Effectuated by exchange of notes signed March 6 and 12, 1942; effective April 12, 1942. Executive Agreement Series 244. 4 pp. 5¢.

¹ Subscription, \$2.75 a year.

Naval Mission: Agreement Between the United States of America and Brazil—Signed May 7, 1942; effective May 7, 1942. Executive Agreement Series 267. 12 pp. 5¢.

Diplomatic List, September 1942. ii, 101 pp. Subscription, \$1 a year; single copy, 10¢.

The Department of State Bulletin, vol. VII, no. 3, September 5, 1942. 20 pp. 10¢.

The Proclaimed List of Certain Blocked Nationals. Supplement 2, September 18, 1942, to Release III of August 10, 1942. 17 pp. Free.

The Department of State Bulletin, vol. VII, no. 3, September 12, 1942. 8 pp. 10¢.

Interchange of Patent Rights, Information, Inventions, Designs, or Processes: Agreement Between the United States of America and Great Britain—Signed at Washington August 24, 1942; effective January 1, 1942. Executive Agreement Series 268. 13 pp. 5¢.

REFERENCE SERIES:

I. Proceedings of the Eighth American Scientific Congress, Held in Washington May 10-18, 1940. Washington, 1941-. Limited distribution by the Department of State to participating individuals and organizations and to certain depository libraries and institutions.

II. I. Organization, Activities, Resolutions, and Delegations. 1941. 539 pp.

III. II. Anthropological Sciences. 1942. 340 pp.

IV. III. Biological Sciences. 1942. 530 pp.

V. IV. Geological Sciences. 1942. 764 pp.

TREATY SERIES:

977. Provisional Administration of European Colonies and Possessions in the Americas: Convention Between the United States of America and Other American Republics—Signed at Habana July 30, 1940; proclaimed by the President of the United States February 12, 1942. 33 pp. 10¢.

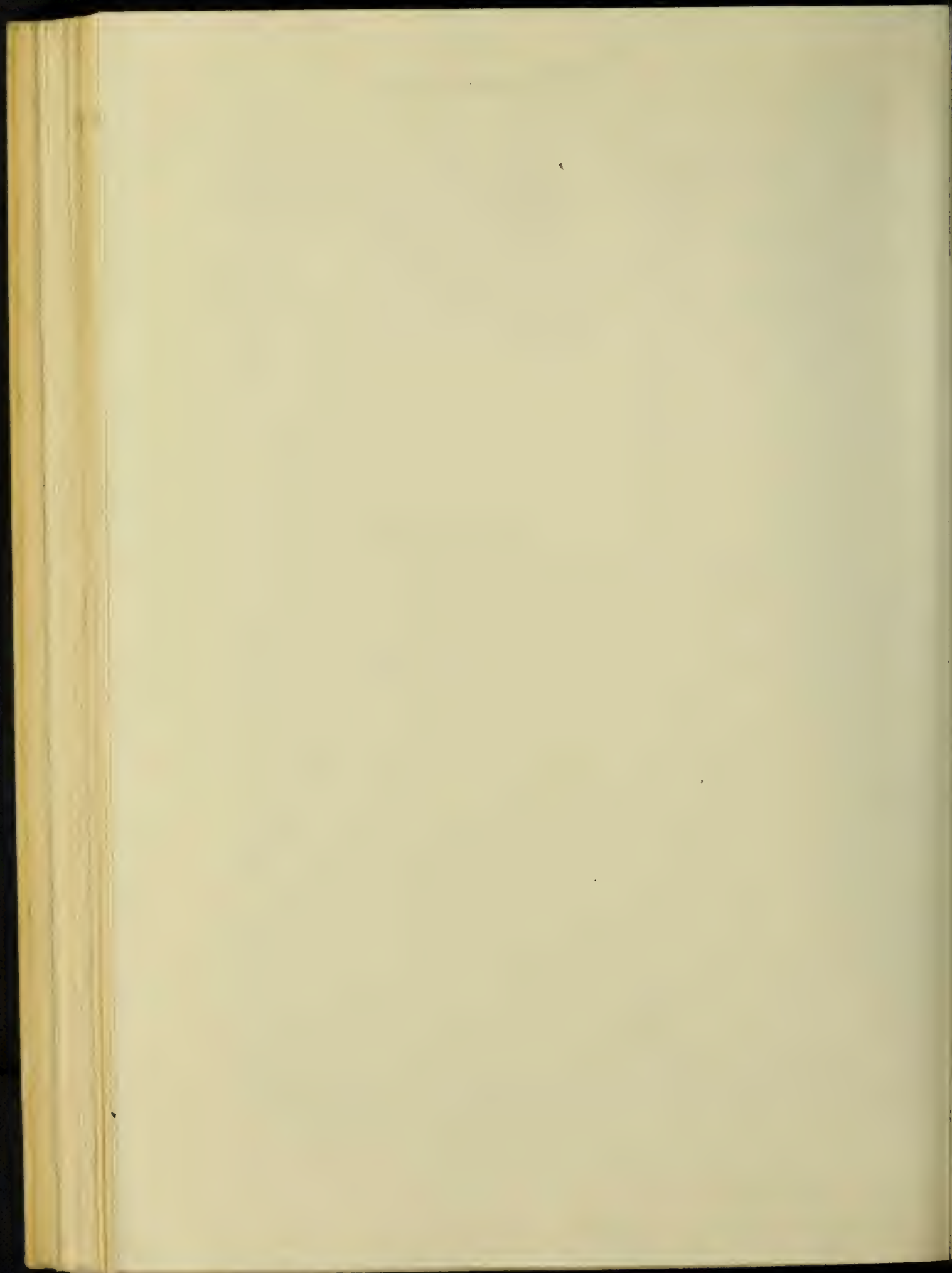
978. Inter-American Indian Institute: Convention between the United States of America and Certain Other American Republics—Opened for signature at Mexico City from November 1 to December 31, 1940; signed for the United States of America November 29, 1940; proclaimed by the President of the United States February 12, 1942. 46 pp. 10¢.

983. Double Taxation: Convention and Protocol Between the United States of America and Canada—Signed at Washington March 4, 1942; proclaimed by the President of the United States June 17, 1942. 13 pp. 5¢.

Legislation

Settlement of Mexican Claims Act of 1942. S. Rept. 1615, 77th Cong., on S. 2528. 3 pp.

Amending the Nationality Act of 1940 To Preserve the Nationality of Citizens Residing Abroad. S. Rept. 1616, 77th Cong., on H.R. 7152. [Includes letter from Secretary of State favoring legislation.] 2 pp.



Ref.

THE DEPARTMENT OF STATE BULLETIN

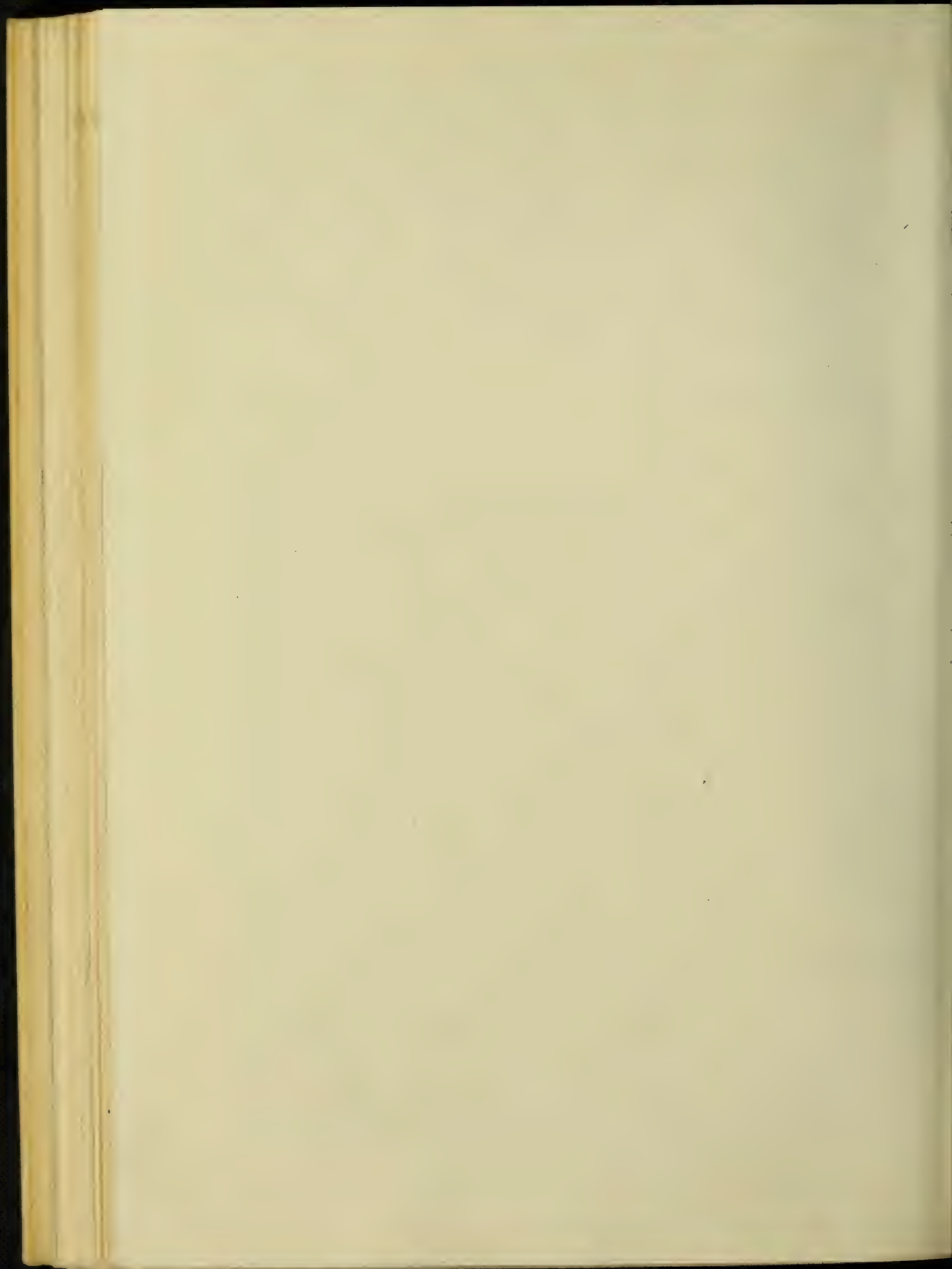
OCTOBER 3, 1942

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The War

SERVICE IN THE UNITED STATES ARMED FORCES OF AMERICAN CITIZENS RESIDING IN CANADA

Released to the press October 1]

The following notes were exchanged on September 30, 1942 between the Canadian Minister in Washington and the Department of State in regard to a procedure under which American citizens residing in Canada who have not declared their intention of becoming naturalized in Canada may elect to serve in the United States armed forces in lieu of service in the Canadian armed forces.

*From the Canadian Minister at Washington to the
Secretary of State*

638 CANADIAN LEGATION,
Washington, September 30, 1942.

I have the honour to refer to your note of April 8, 1942, in reply to my note No. 222 of April 6 concerning the application of the United States Selective Training and Service Act of 1940, as amended, to Canadian nationals residing in the United States, and stating that the Government of the United States assures the Government of Canada full reciprocity with respect to the regime outlined in your note of March 30 under which Canadian nationals in the United States who have not declared their intention of becoming United States citizens may elect to serve in the naval, military or air forces of Canada in lieu of service in the armed forces of the United States.¹ In your note you further state that the Government of the United

States agrees to the understandings, limitations and assumptions set forth in numbered paragraphs 4 to 9 inclusive of my note.

2. One of these understandings is that the Government of the United States is agreeable to the Canadian Government imposing a liability to compulsory military service on United States citizens residing in Canada. A second understanding is that while non-declarant United States citizens in Canada will, prior to their induction into the naval, military or air forces of Canada, be granted an opportunity of electing to serve in the armed forces of the United States, this opportunity will not be granted to declarant United States citizens in Canada.

3. In accordance with these understandings the Canadian Government has recently imposed on United States citizens residing in Canada a liability to compulsory military service identical with that imposed on British subjects ordinarily resident in Canada, and the Canadian Government now desires to initiate a procedure satisfactory to the Government of the United States under which United States citizens in Canada who have not declared their intention of applying for naturalization in Canada may elect to serve in the armed forces of the United States, in lieu of service in the armed forces of Canada, at any time prior to enrolment in the Canadian Army.

4. The following proposals are made by the Canadian Government:

¹Bulletin of April 11, 1942, pp. 315-318.

(a) Individuals who elect for service with the armed forces of the United States will be physically examined by the Canadian Army. The results of the examination will be forwarded to the proper authorities of the United States. On receipt from these authorities of notification that an individual is acceptable the competent Canadian authority will send the individual to a designated reception point for induction into the armed forces of the United States. If, on arrival at the reception point, the individual is found to be not acceptable to the armed forces of the United States, he shall be liable to be enrolled immediately in the Canadian Army.

(b) In order that non-declarant United States citizens in Canada may be informed of the conditions of service in the armed forces of the United States, the Canadian Government suggests that the United States authorities give the Canadian authorities copies of a pamphlet setting forth the conditions of service so that the pamphlets may be made available to non-declarant United States citizens who are called up for military service by Canada.

(c) United States citizens in Canada who elect to serve in the armed forces of the United States and are accepted by one of those forces and who return to Canada for permanent residence within six months after the termination of their service with the United States armed forces will not lose any rights they may have previously acquired under the Immigration and Naturalization Acts of Canada.

5. Acceptance by the United States of these proposals will not be construed by the Canadian Government as imposing any obligation on the United States Government to return to Canada United States citizens who may be deemed to be defaulters under the National War Services (Recruits) Regulations of Canada.

6. If these proposals are acceptable to the Government of the United States, this note and your reply thereto accepting the proposals shall be regarded as placing on record the under-

standing arrived at between the two Governments concerning this matter. The practical details may then be arranged directly between the appropriate governmental agencies.

Accept [etc.]

LEIGHTON MCCARTHY

*The Secretary of State to the Canadian
Minister at Washington*

DEPARTMENT OF STATE,
Washington, September 30, 1942.

Sir:

I have the honor to acknowledge the receipt of your note no. 638 of September 30, 1942, proposing an arrangement under which American citizens residing in Canada, who have not declared their intention of applying for naturalization in Canada, and who may become subject to enrolment in the armed forces of Canada will, prior to such enrolment, be given an opportunity of electing to serve in the armed forces of the United States. You state that acceptance of the proposals will not be construed by your Government as imposing any obligation on the Government of the United States to return to Canada any citizens of the United States who may be deemed to be defaulters under the National War Services (Recruits) Regulations of Canada. Your proposals are made on the understanding that the United States Government is agreeable to the Canadian Government imposing a liability for compulsory military service on United States citizens residing in Canada, and that the opportunity of electing to serve in the armed forces of the United States will be granted only to American citizens residing in Canada who have not declared their intention of applying for naturalization in Canada.

I am pleased to inform you that the Government of the United States agrees to the Canadian Government imposing a liability for military service on United States citizens residing in Canada, and that the proposed arrangement as outlined in your note under acknowledgment is satisfactory to this Government.

Accept [etc.]

For the Secretary of State:

A. A. BERLE, Jr.

ARRANGEMENT FOR THE PURCHASE OF FATS AND OILS

The Office of War Information stated on September 28 that the Combined Food Board, United States and Great Britain, has announced an agreement providing for exclusive trading by the United States in certain pre-banned regions of the world and by the United Kingdom in other areas, on behalf of all the governments adhering to the agreement, of fats, and oilseeds available to the United Nations throughout the world. The plan is a part of the general strategy of the Combined Food Board, which seeks to procure and allocate efficiently various important food supplies available to the United Nations for the combined war effort.

Worked out after a comprehensive survey of supplies of the fats and oils available to the United Nations in relation to essential war needs, the agreement provides: (1) The United States will be the exclusive purchaser, on behalf of the governments adhering to the agreement, of all oilseeds, oils, and fats in the West and South American continents, Portuguese Africa, Spanish Africa, and Liberia, including the Caribbean islands, with the exception of animal fats in Argentina and Uruguay; the United States shall be the exclusive purchaser of copra in Tahiti and all Free French Pacific islands; and (3) the United Kingdom shall be the exclusive purchaser, on behalf of all adhering governments, of all animal fats in Argentina and Uruguay and of all oilseeds, oils, and fats in British Empire countries, with the exception of the territory in the North and South American continents, including the Caribbean islands; Free French Africa; and Belgian Congo.

CONTRIBUTIONS FOR RELIEF IN THE BELLIGERENT COUNTRIES

On September 30, 1942 the President's War Relief Control Board issued to the press a tabulation of contributions collected and disbursed during the period September 6, 1939 through August 1942, as shown in the reports submitted

by persons and organizations registered with the Board for the solicitation and collection of contributions to be used for relief in foreign countries, in conformity with the regulations issued pursuant to section 3 (a) of the act of May 1, 1937 as made effective by the President's proclamations of September 5, 8, and 10, 1939, section 8 of the act of November 4, 1939 as made effective by the President's proclamation of the same date, and Executive Order 9205 of July 25, 1942.

The statistics set forth in the tabulation are incomplete as regards relief activities which a number of registered organizations have been carrying on in respect to non-belligerent countries, for which registration has not heretofore been required.

The American National Red Cross and certain religious organizations are exempted from registration with the Board by section 3 of Executive Order 9205, and the accounts of these organizations are not included in this tabulation.

Copies of this tabulation are obtainable from the President's War Relief Control Board, Washington Building, Washington, D.C.

The Department

CENTRAL TRANSLATING OFFICE

In Departmental Order 1096, of September 29, 1942, the Secretary of State prescribed additional duties for the Central Translating Office. These duties include interpreting and translating in connection with inter-American conferences; translation of agreements between the United States and the other American republics and of addresses of the President, the Secretary of State, and other ranking Government officials when of interest to the other American republics, such translations to serve as the accepted official translated version of those public utterances; review of material published

in Spanish and Portuguese by other Governmental departments and agencies; and review of Spanish, Portuguese, and French scripts for motion pictures and radio programs to be distributed through official channels in the other American republics, including cooperation with the Interdivisional Committee on Motion Pictures in the evaluation of films for distribution abroad.

The Foreign Service

CONFIRMATIONS

On September 28, 1942 the Senate confirmed the nomination of Anthony J. Drexel Biddle, Jr., of Pennsylvania, as American Ambassador near the Governments of Yugoslavia and Greece now established in London.

The nominations of Thomas L. Hughes, of the District of Columbia, as Consul General, and of W. Garland Richardson, of Virginia, as Consul, in the Foreign Service were also confirmed on that date.

Treaty Information

ARMED FORCES

Exchange of Notes With Canada Regarding Service in the United States Armed Forces of American Citizens Residing in Canada

The texts of notes exchanged between the Canadian Minister at Washington and the Department of State regarding a procedure under which American citizens residing in Canada who have not declared their intention of becoming naturalized in Canada may elect to serve in the United States forces in lieu of service in the Canadian forces, appear in this *Bulletin* under the heading "The War".

STRATEGIC MATERIALS

Arrangement for the Purchase of Fats and Oil

An announcement by the Combined Food Board of an agreement providing for exclusive buying by the United States in certain prescribed regions of the world and by the United Kingdom in other areas, on behalf of all governments adhering to the agreement, of fats, oils, and oilseeds available to the United Nations throughout the world, appears in this *Bulletin* under the heading "The War".

Publications

DEPARTMENT OF STATE

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Poland—Signed at Washington July 1, 1942; effective July 1, 1942. Executive Agreement Series 258. Publication 1796. 3 pp.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and the Netherlands, and Exchange of Notes—Agreement signed at Washington July 8, 1942; effective July 8, 1942. Executive Agreement Series 259. Publication 1797. 6 pp.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Greece—Signed at Washington July 10, 1942; effective July 10, 1942. Executive Agreement Series 260. Publication 1798. 3 pp.

Detail of Military Officer To Serve As Director of Polytechnic School of Guatemala: Agreement between the United States of America and Guatemala—Extending the Agreement of May 27, 1941—Effective by exchanges of notes signed June 9 and 22, 1942; effective from May 27, 1942. Executive Agreement Series 264. Publication 1802. 3 pp. 5¢.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Czechoslovakia—Signed at Washington July 11, 1942; effective July 11, 1942. Executive Agreement Series 261. Publication 1805. 4 pp. 5¢.

OTHER GOVERNMENT AGENCIES

International Law Situations and Documents: Index
volumes 31-40, 1931-40. (Naval War College.)
pp. 55¢.
Understanding the Other American Republics [for ele-
mentary schools]. (U.S. Office of Education, Edu-
cation and National Defense Series, Pamphlet 12.)
pp., illus. 20¢.

Regulations

International Radiotelephone Communications [regula-
tions pertaining to application for sponsorship of the
State Department, necessity for approval of Office of
Sponsorship, written notification of approval for spon-
sorship, and notification to applicant of clearance for
call, in the case of non-governmental business or
personal radiotelephone calls to or from any foreign
point outside the Western Hemisphere except Eng-
land, unless such calls are made in the interest of the
United States or the United Nations]. September
1942. (Department of State.) 7 *Federal Regis-*
7481.

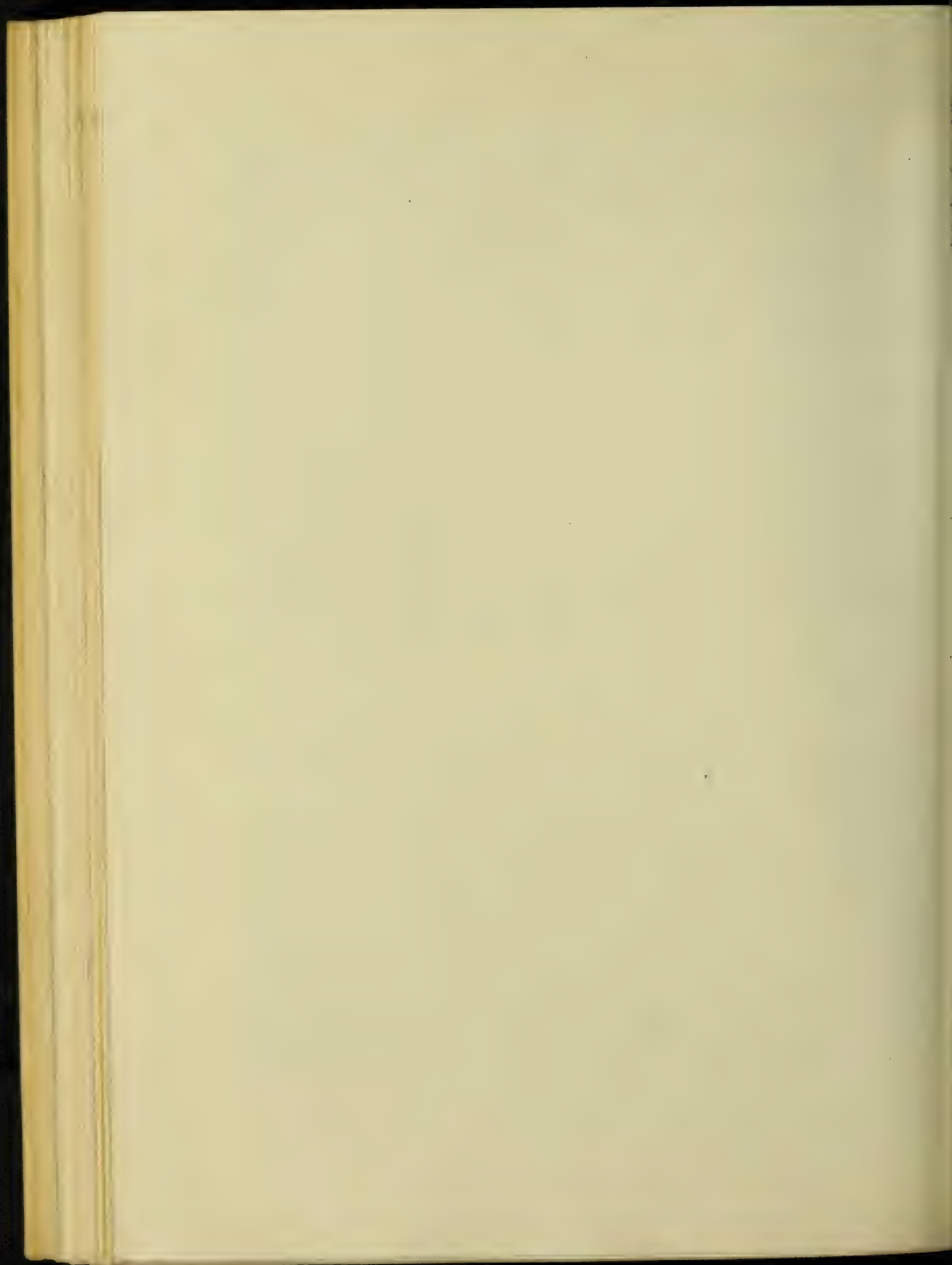
Legislation

Joint Resolution. Authorizing the President of the
United States of America to proclaim October 11,
1942, General Pulaski's Memorial Day for the ob-
servance and commemoration of the death of Briga-
dier General Casimir Pulaski. Approved September
26, 1942. [H.J.Res. 271.] Public Law 717, 77th
Cong. 1 p.

Authorizing the execution of certain obligations under
the treaties of 1903 and 1936 with Panama, and other
commitments. H. Rept. 2498, 77th Cong., on H.J.Res.
342. 6 pp.

Repatriating native-born women residents of the United
States [who have lost citizenship by marriage to an
alien]. H. Rept. 2499, 77th Cong., on H.R. 7275.
2 pp.

Draft of proposed provision pertaining to the appro-
priation for the Board of Economic Warfare: Com-
munication from the President of the United States
transmitting a draft of proposed provision pertain-
ing to the appropriation for the Board of Economic
Warfare for the fiscal year 1943 [to provide funds
for expenses of employees stationed in foreign coun-
tries]. H. Doc. 855, 77th Cong. 3 pp.



Ref.

THE JOURNAL OF THE

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OCTOBER 10, 1942

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the War

UNITED NATIONS COMMISSION TO INVESTIGATE WAR CRIMES

to the press by the White House October 7]

President has made the following state-

August 21 I said that this Government constantly receiving information concerning barbaric crimes being committed by the against civilian populations in occupied areas, particularly on the continent of Europe, I said it was the purpose of this Government, as I knew it to be the purpose of the United Nations, to see that when victory the perpetrators of these crimes shall for them before courts of law.

commission of these crimes continues. Now declare it to be the intention of this Government that the successful close of the war shall include provision for the surrender of United Nations of war criminals.

"With a view to establishing responsibility of the guilty individuals through the collection and assessment of all available evidence, this Government is prepared to cooperate with the British and other Governments in establishing a United Nations Commission for the Investigation of War Crimes.

"The number of persons eventually found guilty will undoubtedly be extremely small compared to the total enemy populations. It is not the intention of this Government or of the Governments associated with us to resort to mass reprisals. It is our intention that just and sure punishment shall be meted out to the ringleaders responsible for the organized murder of thousands of innocent persons and the commission of atrocities which have violated every tenet of the Christian faith."

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN FOR UNITED CHINA RELIEF²

to the press October 11]

CHAIRMAN, LADIES AND GENTLEMEN:

Today, the thirty-first anniversary of the Republic, marks a milestone on a road of determined independence, exalted courage, and able staying-power, and magnificent the same sort of staying-power and that brought George Washington through the dark days of Valley Forge to

¹in of August 22, 1942, p. 709.

²erred by the Honorable Joseph C. Grew at Hall, New York, N.Y., October 10, 1942.

Yorktown and Foch from the Marne to Compiègne—the staying-power and valor that will carry our heroic ally, China, under the superb leadership of Generalissimo Chiang Kai-shek, from the bridge at Luk'ouchiao to final victory.

On this anniversary we salute the Chinese Republic and her leader with the deep affection of a sister republic, with great admiration, and with profound respect. No reverses on the field of battle could quench their indomitable spirit, no seas of disaster were too deep for them to pass through unbroken, no destruction by fire and bomb could subdue or

weaken their determination to survive and their will to win. Such nations, such people, and such leaders cannot be defeated.

United China Relief symbolizes the sympathy of the American people for the Chinese people. It is the efficiently humanitarian unifier of many generations of American attitude and effort. American sympathy for China has become an integral part of the American tradition. It is based on the intuitive perception that our two peoples hold many things in common: our respect for the individual as a man, our abhorrence of fanaticism, our allergy to the idea of the state as a religion in itself. Long before the American nation was compelled to gird itself for war in the Pacific, United China Relief showed where American sympathies lay and did its part to comfort and help the innocent victims of brutal aggression in a country which we felt to be a moral ally.

The Pacific war is and will be a hard war. The enemies we face are formidable. They have modern equipment. They have brought every evil and dangerous force in industrialism and technology to a high peak while spurning the democracy, the general welfare, and the humanitarianism which alone can justify the industrial way of life. Our Chinese allies, who have held tenaciously to their own humane culture, are going to have to depend on us for technical and industrial assistance in various fields which they have not yet developed. Supplying both the Chinese forces and our own, we shall have to cross oceans and seas, mountains, valleys, and plains to come to grips with Japanese militarism and destroy it at its roots. Despite enormous difficulties we shall do all this—and win.

In the Pacific theater, as a major theater in this second world war, there are at stake immense issues. In a very real sense, we—we of this country—stand to win or lose greatly in that theater.

Should we lose, the United States would be faced by a master-minded Japan and an enslaved East Asia possessed within itself of every raw material, every climatic zone, all the sources of energy needed to maintain the most formid-

able and autarchic military power. Like many in Europe, Japan in Asia is destructive of the free and normal development of civilization. The miseries which the Germans on their fellow Europeans find their counterpart in the fearful miseries which are Japan's gifts to Japan's fellow Asiatics, miseries which we have had all too abundant evidence of. The Japanese Empire seeks dominion over the mind, and soul of the world's largest populations and over every ounce of the riches of the East. We cannot lose once and win again; we would find it an almost impossible task to free an enslaved Asia in later years. We must win now.

The Pacific and the Far East, when we have cleared them of the scourge of war, will be the effort and the sacrifices involved in this achievement. We and the nations in that area that are resisting militarism and aggression are fighting not only for freedom but for peace, world democracy, and world progress. Beyond the general aims of our war for survival there are positive high objectives in the Pacific and Far East to which we can and shall strive.

First, once Japan is destroyed as an aggressive force, we know of no other challenge to the power that can appear in the Pacific. The nations now members of the Pacific Council at Washington are quite simply fighting for freedom—to live their own national lives and to let live. No one of these powers has serious strategic claims or pretensions upon the independence or territory of another. There are no frontiers stained with centuries of the bloodshed of international war. The nations have clear geographical limits, abundant natural resources, and a proven disposition to cooperate. Once militant Japan is out of the picture, there should remain no threat of war in the Pacific area. I say this advisedly. Japan is the one enemy, and the only one, of the peaceful peoples whose shores border the Pacific Ocean.

Second, the winning of the war will bring its own rewards in uniting the Pacific peoples. Friendships and opportunities for mutual cooperation and enrichment, both material and

possess limitless possibilities for good. share of the Chinese in the new Pacific is d to be a great one. Our collaboration China will be made the easier by the athy which United China Relief and its re- organizations have shown the Chinese e.

ird, we can hold out the hope of a liber- Japan. A population as great as that e German Reich waits to be freed not only its militarist masters but from itself. Japanese have great cultural assets with t they could continue to contribute to the ness and civilization of mankind. But have—particularly in recent years—been ong a road of militarism and overweening nist ambition which have directed Japa- ivilization into a blind alley of potential

We and our allies of the United Nations ee those people of Japan who yearn in merely to be allowed to pursue their l beauty-loving lives, in peace, in their homes, and in their own cultural sur- ings. But we must realize that the cap- in which they are held is no mere rary phenomenon of an occupying force a police control suddenly grown tyranni- is the despotism of tradition through the ies, grown corrupt, savage, and untrue to its own followers. Whatever desire of the more enlightened elder statesmen an may have had for peace, they have ent times been completely overridden by terly ruthless extremist elements in the y. Even during the period of our in- ent in Tokyo the scorn in which they he Foreign Office was only too evident, hatever effort was made by the latter to our treatment into accord with inter- al usage was in many cases arbitrarily led by the military and metropolitan who dealt with us in the Embassy not as prisoners but as though we were al prisoners.

is, again, the role of China is of funda- mport—by reason of China's propin- to Japan, by reason of China's cultural hip of the Far East. For almost three nd years Chinese civilization has been

the stabilizer and illuminator of Far Eastern life.

In the Pacific war we are, therefore, not only fighting for progress, for democracy, for the four freedoms of the Atlantic Charter. We are fighting to free the richest cultural heritage of East Asia, and in this fight we are proud of our indispensable ally, China, and of her leader, Generalissimo Chiang Kai-shek.

My friends—and what a profound joy it is to be with and among friends once more after bitter experiences in an enemy land—this war will increasingly demand our maximum efforts, our unbending determination, and, more, our willing sacrifice of many things that we have hitherto accepted and enjoyed as natural concomitants of our daily life. Any unwillingness to make sacrifice implies one of two things, either a weakness in our moral fibre—and we can discard that hypothesis because we are morally as well as physically and mentally and spiritually a strong people—or else a lack of fundamental comprehension of what we are up against in fighting this war.

The spirit of America is awake. The battles we are fighting are far from our homes and the danger is not so imminent to us as it is to those of our allies who have lost their homes. Yet, if we are to keep our homes and our liberties, and our allies are to regain their homes and their liberties, those battlefronts must be pushed back farther and farther until the enemy is engulfed on his own soil. What our people have done and are doing here at home in factory, field, and office is inspiring. Their efforts are being felt on every fighting front. We are working, we are sacrificing even when the battles are distant. But we must not slacken, for, if we do, the war and the fighting will move closer to us and the faith and hope of our allies might grow dimmer.

Every sacrifice we make, every contribution to the war effort we render, either directly or indirectly helps our boys who are grimly battling overseas and those who at home are faithfully guarding our beloved land. "They also serve who only stand and wait." We also serve who sacrifice and give. China has been sacrificing and giving for the past five years,

sacrificing the mellowness of her age-long love of peace and culture, giving in blood and treasure, in suffering and sorrow, yet in steadily strengthening her indomitable will to win. Only when our own will to win is backed by the spirit of sacrifice and contribution of every man and woman in these our United States shall we be assured of victory.

Let me finally say to you this: The war will be well fought and well won if we fight for the world to come and not merely against our enemies who threaten us. A crusade for righteousness and freedom is stronger than the strongest defense. With China and the United Nations, as we fight the war, we will build the future.

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN TO THE CANADIAN NATIONAL VICTORY LOAN CAMPAIGN¹

[Released to the press October 9]

The occasion which brings us together is of importance in the unfolding of our common war effort. The Dominion of Canada preceded the United States into the world conflict and into a war economy, and it now precedes the United States in the launching of a Third Victory Loan which throws additional resources of the Canadian people into the stupendous military and economic effort demanded for victory. As an American, as an official of the Government of the United States, I take profound pride in the accomplishments of our near neighbor, Canada. I realize that our two democratic peoples have much in common, share much, suffer much, gain much together in these modern days, and that now, as comrades in arms, we are equally faced with the all-important problem of achieving victory in the greatest war of all time.

My presence here is, if I may interpret it, due to your wish to hear something of our enemy, Japan, from one who has lived long in the hostile atmosphere of that aggressive land and has recently returned to the continent of our joint security. I can testify that the change is more than pleasant: it is a change from a heavy and offensive atmosphere to the open air that is breathed only in free countries.

I have had Japanese friends, many of them. I have seen most of them, one by one, swept away by devices of falsehood and fanaticism, until at the last the Embassies and internment camps stood far apart and lonely like besieged

islands of free thought in an enslaved country. Even after war broke out and we were cut off from the normal contacts—official and personal—which had constituted our life for many years, we realized that in the outer darkness of a militarized Japan a few hardy souls still thought in terms of humanity. A few still free to question, if only within the privacy of their own consciences, the short-lived triumphs which so clearly implied the long-range ruin of Japan.

Tonight when I say that Japan is ruined, I offer no glib assurance of your triumph over ours in the cause of democracy and human progress. I mean only that even if Japan wins the war—which it surely will not—Japanese people would face the ruin of their business and their social system.

If they were to win they would be still enslaved; they are today, enslaved by their own leaders. The faltering steps which they have taken toward constitutionalism, toward humanitarianism, would be undone. Pawns and senseless but mighty militarism, the nation would turn toward a new age of darkness blacker than any that they have known before.

On the other hand, when Japan loses the war, she will pay the price of false war. Over and above the obligations which they have incurred to the invaded nations, they will owe themselves a debt—a debt of economic spoliation from this vain war, of Japanese already dead and the millions more who must and will die. The demoralization which will beset them when they realize the falsehood and tragedy of the slogan which their leaders have "sold" to

¹ Delivered by the Honorable Joseph C. Grew in Toronto, Canada, October 8, 1942.

"Greater East Asia Co-Prosperity Sphere".
 ely we have had ample evidence—in Korea,
 Formosa, in Manchuria, and in other parts
 occupied China—of Japan's interpretation
 the euphemistic term "Co-Prosperity". I
 not elaborate that subject.

apan faces ruin. The problem which con-
 ts us is, on the one hand: How do we
 pe being drawn down into it? It would
 small comfort to us to see Japan eaten up
 a monstrous militarism if the same milita-
 a devoured us. Canada and the United
 es cannot stand apart from the destiny of
 peoples on the other side of the Pacific.
 er Japan destroys us all, including the
 anese people themselves, or we destroy the
 tarism of Japan and win for all the Pa-
 peoples the just and free society which we
 ve to be the rightful condition of all
 ons.

ere are many questions which we have
 asking ourselves since the grim forenoon
 eember 7, 1941. Some of these questions
 be answered only by the historians of the
 uture. Why did Japan attack the United
 and the British Commonwealth of Na-
 ? Why did the Japanese wish to destroy
 Why did they risk the venture of war
 our peoples, who are known for industrial
 r and for potential military capacity?
 the Japanese indeed make the most monu-
 al miscalculation in all history? Are
 foolish fanatics who have chosen a suicidal
 s the only way out from their humiliation
 Chinese resistance? Questions such as
 have been asked me ever since my return
 Tokyo.

ear, alas, that no man living could answer
 ese questions. If there is anyone who
 s all the answers, I for one would like to
 from him. I know that there are many
 tant points about the Japanese mind and
 which have puzzled and troubled me and
 are probably not clear to the Japanese
 elves. Nevertheless, I will put before
 wo of the main questions, and try to
 answers to them which—time and cir-
 ance permitting—I believe to come near
 heart of the matter.

First, why did the Japanese make this war
 upon us?

Second, how do the Japanese leaders—fanat-
 ical but coldly calculating men—dare dream
 of victory over the combined power of the
 British Commonwealth of Nations, the United
 States, China, and the other United Nations?

First question first: Why did they make war
 upon us?

The Japanese attitude toward the English-
 speaking peoples is based on a concept of Japa-
 nese superiority and strength and of our infe-
 riority and weakness. Part of this is a product
 of their mythology, the only neolithic mythol-
 ogy in the world which still plays a part in the
 affairs of a government. A part of it is a
 product of national vanity. A part of it is—
 in the Japanese view—logical, matter-of-fact,
 and well founded.

The Japanese have long known that the man
 who thinks he is superior is *ipso facto* handi-
 capped. The Japanese have known what we
 thought of them, that they were little fellows
 physically, that they were imitative, that they
 were not really very important in the world of
 men and nations. Believe me, I have been
 shamed more than once by the braggadocio,
 self-confidence, and condescension manifested
 by our English-speaking peoples; and I have
 grown apprehensive as, through the years, I
 have observed the Japanese observing us. I
 have realized the cold, withering contempt of
 the Japanese for those of our race who gloried
 in power without possessing the fundamentals
 of power or who complacently viewed the possi-
 bility of war with Japan without understand-
 ing how formidable the Japanese really were.

The Japanese have made comparisons not
 favorable to us. They have pointed to their
 own thrift and compared it with our wasteful-
 ness. They have looked at their own national
 unity and national reverence and have con-
 trasted it with our partisanship and our readi-
 ness to laugh at ourselves. They have seen the
 comforts with which we have surrounded our-
 selves, and they envy us these even while they
 despise us for our possession and enjoyment
 of them.

It is not meaningless that in Japanese thought "Oriental culture" stands as the antithesis to luxury. To many Japanese, culture means a Spartan ability to endure hard work, hard living, and hard fighting. The inconsistency of their position—the fact that they should pride themselves on their simplicity and ruggedness while fighting to gain material riches—is not apparent to most of them. They look upon us as boastful, vainglorious, rich, and flabby. They think that we are physically soft. They think that our minds are filled with gross considerations of comfort, personal greed, and shallow partisanship.

I have no wish to praise a people who are your enemies and mine, but I must—in the interests of our safety—remind you of a few of their formidable characteristics.

They are united. Theirs is a unity of solidarity. Foolish or wise though their war government may be, they support it. They believe in the divinity of their Emperor and, through him, in the rightness of their war leaders. For years they have prepared themselves collectively and individually for war. Germany and Italy possess groups of unknown size and power which await only the time and opportunity to revolt. In Japan there are no such groups.

They are trained. The Japanese have said openly that their weapons were inferior to ours, but they counted on the fact that we supposed them to be even less well equipped than they really were. This would give them an advantage. This advantage could be further supplemented by their discipline, by their universal training, and by the fact that all Japanese men—all the able-bodied men in Japan—have military service. Trained men and armies with fair weapons can often defeat untrained men and armies with excellent weapons.

They are frugal. The Japanese Empire has almost thrived on shortages. Bottlenecks, absences of materials, and vexing priorities have existed in other countries under conditions which would have meant abundance to the Japanese. In the midst of poverty they have built an enormous military machine. They have not done this with wastefulness. They have done

it with care and thrift and economy and conserving of materials. The food which we, now, throw away in North America would be a long way toward supporting the population of Japan.

They are fanatical. They believe in the war, in the government which wages it, and the incorruptible certainty of their national cause. Who knows how far back the source of this national faith may lie? Some part of it go back to the half-mythical centuries of their history before the time of Christ. Of rest, perhaps, in the centuries of sporadic struggles with the Chinese which ended with great naval victories of the seventh-century Chinese fleets. The shoguns, who began a system of ruling through puppets a thousand years ago, and then the feudal lords conducted their share. Medieval civil wars, bequeathed traditions which toughened Japan for foreign war today.

They are, at least in war, totalitarian. A century ago, while Germany and Italy were still picturesque agglomerations of petty states, Japan was governed by dictatorship, secret police, elite guards, suppressors of "dangerous thoughts", summary courts, and hidden executioners. The Tokugawa shogunate, which preceded the present modernized government, was effectively totalitarian and authoritarian.

We have learned in our time what totalitarianism means. It means the end of political freedom, of religious freedom, of any freedom of any true culture. It also means concentrated political, economic, and military power. This power can be used swiftly and ruthlessly by despots who do not stop to explain or justify—their ends or their means. Japan did not have to turn Fascist or National Socialist; morally, Japan already was. Japan has needed no Hitler. In a certain sense, her militarists are an oligarchy of rulers. Democracy was an experiment into which the Japanese ventured only slightly and cautiously. The society itself and its values remain today, in wartime, regimented and authoritarian. Let me give you a few examples of the record talk.]

With such capacities and such a government, it is surprising that Japan's leaders did not start war and that they led their nation confidently into war? At this very moment the Japanese feel themselves, man for man, superior to you and to me and to any of our peoples. They admire our technology, they may have a lurking dread of our ultimate superiority of resources, but all too many of them look on us with contempt for us as human beings. Add to this their overweening ambition for conquest and you can begin to follow the warped but persuasive lines of intuition and belief which lead Japan to attack us.

Yet we now try to give an answer to the old question: Do the Japanese think that they can win this war?

The Japanese leaders do think that they can win. They are counting on our underestimates, on our apparent disunity before—even during—war, on our unwillingness to sacrifice, to endure, and to fight.

The leaders of Japan are not suicidally deluded incompetents. History will show that they have made a miscalculation; but they have miscalculated less than most of us suppose. In this they find strength.

Japan has won before by the same strategy that she has followed in the launching and the waging of this war. In 1894 and 1895 Japan defeated the gigantic Manchu Empire of China. Her armed forces won because the nation was united, determined. The Manchu Government of China was corrupt and unprepared, the Chinese Government was supine and disarmed, and the Chinese people never had a chance to fight. In 1904 and 1905 Japan attacked and defeated the Empire of the Tsars. Her armed forces attacked Port Arthur, like Pearl Harbor, murderously and in stealth. Port Arthur, like Bataan, withstood a siege and then surrendered. In St. Petersburg and elsewhere there was revolt, occasioned largely by corrupt mismanagement of the war and a popular distrust of the government. The Czarist government negotiated peace. Japan did not have to defeat Russia; she did defeat the Tsarist army when the people and government behind the Army were disunited and

the productive system did not stand up. Later I saw disunion and defeat lingering on in St. Petersburg, and the unhappy remembrance of it has remained in my mind to this day. Finally, Japan, as an ally of the Allies, fought Germany in the first World War. Germany did not fight to the bitter end. The Germans did not wait for their country to be invaded. They gave in before the Rhine had even been reached—they surrendered even after they had won the Eastern front and had seemed victorious. The Japanese noted this and did not forget it.

Japan remembers these victories. The Japanese may not intend to take New Orleans or San Francisco or Vancouver or Toronto—in this war. They do intend and expect, in dead seriousness, to conquer Asia, to drive us out, to force us to make a peace which will weaken us and cause us to grow weaker with time. And then later, in 5 years, or 10 years, or 50 years, they would use the billion men of an enslaved Asia and all the resources of the East to strike again.

There is no limit to the Japanese desire for conquest. Given this desire, given their estimate of us, the attack on Pearl Harbor was a logical development. Your Government and mine were aware of this. The closure of commercial relations and the scale of our rearmament—late though this was—were influenced by that knowledge.

When the Japanese militarists, committed absolutely to the course of conquest, took measure of their military resources and perceived the extent of democratic rearmament, they had to gamble. The gamble was heroic but not that of a mere game of chance. Their well-planned campaigns southward were brilliant accomplishments. Today Japan is stronger than ever. We now face not only Japan but Japan and Japan's conquests. These conquests are greater than we have permitted ourselves to realize. They include more than 10 times the area of the Japanese Empire as it stood a year ago, Chinese territory, British territory, Dutch territory, American territory. They include populations aggregating three times the population of the Japanese Empire; many climes and

vast resources; a huge aggregate of human beings, the majority of whom are docile and are capable of tremendous toil. True, we are counter-attacking. Canadian and American planes are hammering at the Japanese in the Aleutians. British and American planes are striking at the Japanese in Burma. Chinese and American planes are bombing points in occupied China. Australian and American planes are counter-attacking in the South Pacific. But Japan is on the inner circle, and she is busily developing the resources and the manpower that she has seized.

No one—any longer—can prattle now of defeating Japan in three months. We hear no longer about the tinder cities of Tokyo and Osaka. We do not jest about the Japanese fleet nor about their air force. We know that we face a destructive, united enemy and that we must bring to bear against that enemy force as united as and greater than that which he has marshaled.

Given our counter-attack, given a new conception of ourselves and of what we must do in face of the crisis which Japan has thrust upon us, we shall find the future promising. There is no easy way to victory. We must work, we must fight, we must sacrifice, we must conserve. We must give up our easy living, deny ourselves luxuries, devote our wealth to the commonwealth.

Your third victory bonds offer a new opportunity. When you and we and our allies have put in our money, produced the weapons of which we are capable, fought the battles which we are preparing to fight, we will demonstrate that the Japanese, too, have underestimated us.

The Chinese have shown Japan that the Japanese underestimated the patriotism, the courage, and capacity for common effort of China. We too must show the Japanese that they have underestimated Canada and the United States. Their war is still a gamble. We must turn it into their greatest mistake. We must show them that we, nations of free men, have an inner discipline more to be relied upon than all the military training of the regimented would-

be-conqueror nations. We face an old totalitarianism; we ourselves are old in the way of freedom.

Most of all, we must show the Japanese that all the military power on earth is less than the power of reason, of high ideals, of good faith, of freedom. The Japanese have left ethics out of their calculations. They forgot humanity. They have outraged and horrified the world. They have lied brazenly. We can and will show them that ethical conduct and humanity, freedom and truth are vital and real and unumphant. We can and will strike them with the impact of free men fighting in defense of freedom.

Our United Nations leaders have enunciated the aims of this war in terms of the Atlantic Charter, the United Nations Declaration, and other public statements for democracy against aggression. These are not mere rhetoric. Belief in and determination to serve spiritual values are our sword and shield, nay, more, our secret as well as—to those who can see—our visible weapon. We fight for freedom. We fight for the future. We fight as free men, by voluntary sacrifice. Our governments offer us the chance to win this war by our own willingness to make, each and every one of us, the maximum contributions of which he is best capable. I believe that every one of us will seize that chance.

I thank you for your generous hospitality in Toronto. I rejoice to stand tonight on Canadian soil, the soil of a sister country and with whom my own country is linked in what perhaps the greatest of all common interests—a common fight to the death to preserve our respective freedoms. In closing permit me to quote from the diary of an American soldier, Martin Treptow, who fell at Chateau Thulin in 1918; the quotation is worth remembering and acting upon today:

"I will work; I will save; I will sacrifice; I will endure; I will fight cheerfully and to my utmost; as if the whole struggle depended on me alone."

ADHERENCE OF ETHIOPIA TO THE DECLARATION BY UNITED NATIONS

Released to the press by the White House October 9]

The President has received the following telegram from Haile Selassie, Emperor of Ethiopia:

"My Government and people are anxious to assume the obligations of the United Nations. We the first nation to regain its freedom and independence wish to place the military and economic resources of our country at the disposal of those nations who gladly sacrifice all for liberty and justice."

The President replied as follows:

"I have received Your Majesty's telegram stating that your Government and people are anxious to assume the obligations of the Declaration by United Nations and that Ethiopia wishes to place its military and economic resources at the disposal of the nations which gladly sacrifice all for liberty and justice."

"It is gratifying to accept the adherence of Ethiopia to the Declaration by United Nations; welcome as one of the United Nations the first to regain its territory after temporary oc-

cupation by an Axis aggressor. You may be sure that there is deep appreciation for your offer to place at the disposal of the United Nations the military and economic resources of Ethiopia for use in the struggle against the common enemy."

PROTOCOL REGARDING THE DELIVERY OF MILITARY EQUIPMENT TO THE SOVIET UNION BY THE UNITED STATES AND GREAT BRITAIN

[Released to the press October 6]

There was signed on October 6 by the Honorable Sumner Welles, the Acting Secretary of State, His Excellency Maxim Litvinoff, the Ambassador of the Soviet Union in Washington, and Sir Ronald Campbell, British Minister in Washington, a protocol regarding the delivery by the United States and Great Britain to the Soviet Union of military equipment, munitions, and raw materials.

This protocol gives formal expression to agreements, already in effect for some months, which provide for the continuance without interruption of the supply program inaugurated at the Moscow Conference a year ago.

The Far East

EXTRATERRITORIALITY IN CHINA

Released to the press October 9]

The President of the United States in the years 1934 and the Department of State on various occasions since, and as announced on June 19, 1940 and on May 31, 1941, expressed willingness of this Government, when conditions should be favorable therefor, to negotiate with the Chinese Government for the relinquishment of the extraterritorial and related rights and privileges hitherto possessed by the United States in China.

On October 9, 1942 the Acting Secretary of State informed the Chinese Ambassador in Washington that the Government of the United States is prepared promptly to negotiate with the Chinese Government a treaty providing for the immediate relinquishment of this country's extraterritorial rights in China and for the settlement of related questions and that the Government of the United States expects in the near future to present to the Chinese Government for its considera-

tion a draft treaty which would accomplish the purpose mentioned.

The Government of the United States has during the past several weeks exchanged views with the British Government in regard to this general question, and the Government of the United States is gratified to know that the British Government shares this Government's views and is taking similar action.

The above press release was accompanied by the following "Note to the Press":

"For reference to other steps taken by this Government and to developments in the Far East, since 1931, having a bearing upon the subject-matter of this statement, see the Department's press release no. 351, July 19, 1940 [which appeared in the *Bulletin* of July 20, 1940, page 36], and no. 268, May 31, 1941 [which appeared in the *Bulletin* of May 31, 1941, page 661]."

Press Release No. 351 of July 19, 1940

In response to inquiries from press correspondents with regard to the British Prime Minister's comments upon the question of extraterritoriality in China included in his statement of July 18, the Acting Secretary of State, Mr. Welles, commented as follows:

"The most recent statement of this Government on this subject is contained in a note presented on December 31, 1938,¹ to the Japanese Government, which mentions *inter alia* the progress made toward the relinquishment of certain rights of a special character which the United States together with other countries has long possessed in China. In 1931 discussions of the subject between China and each of several other countries, including the United States, were suspended because of the occurrence of the Mukden incident and subsequent disrupting developments in 1932 and 1935 in the relations between China and Japan. In 1937 this Government was giving renewed favorable consideration to the question when there broke out the current Sino-Japanese hostilities as a result of which the usual processes

¹ *Press Releases* of December 31, 1938, (vol. XIX, no. 483), p. 490.

of government in large areas of China were widely disrupted.

"It has been this Government's tradition and declared policy and desire to move rapidly by process of orderly negotiation and agreement with the Chinese Government, whenever conditions warrant, toward the relinquishment of extraterritorial rights and of all other so-called 'special rights' possessed by this country as by other countries in China by virtue of international agreements. That policy remains unchanged."

Press Release No. 268 of May 31, 1941

The text of a letter dated May 26, 1941 from the Appointed Minister of Foreign Affairs of the Republic of China, His Excellency Dr. C. C. Tai-chi, to the Secretary of State, the Honorable Cordell Hull, follows:

"SAN FRANCISCO, May 26, 1941"

"MY DEAR MR. SECRETARY:

"I am shortly to depart from the United States for China and wish to send you a word of farewell and of thanks for the cordial hospitality extended to me during my brief stay in Washington.

"It was very gratifying to me to receive from you a person during our conversations the extent of account which you were so good as to give of the attitude and policy of the United States in regard to problems, both economic and political, which are of concern to the whole world, and especially to your Government and mine, in this unhappy period of disturbance, violence and distress.

"With the general principles of the foreign policy of the United States, which were set forth in your public statement of July 16, 1937, I have long been familiar. I could, therefore, readily appreciate the importance which, as you indicated in our conversations, your Government attaches to the principles of world order under law and of equality of treatment among nations, and to general recognition of the need for freer international trade and broader cultural exchange. My Government

² *Ibid.*, July 17, 1937 (vol. XVII, no. 407), p. 4.

expresses the desire and the hope of your Government that there may be brought about by processes of agreement conditions in world affairs in which those principles will be universally accepted and applied.

You will recall that on August 12, 1937,¹ there was sent to you a communication from the Chinese Government endorsing the principles enumerated in your statement of July 16, 1937, and stating that China's policy was therefore in full harmony with the views of the Government of the United States. Such was the position of China then, and such is its position now.

My country has for nearly four years been fighting in self-defense. During this period the Government and people of the United States have shown great friendship and sympathy for the Chinese Government and people of China. The Chinese Government and people deeply appreciate the attitude, the policy, and the action of the Government of the United States. We are moreover, that our attitude, objectives and policies are constantly evolving along lines which are and more completely in harmony with the policy of the United States.

My people are traditionally believers in non-discrimination in international commercial relations and in the broad principles of cooperation and fair-dealing among nations which are implicit in the faithful observance of international agreements and the adjustment of problems in international relations by processes of peaceful negotiation and agreement which have been arrived at. We believe in and subscribe to the principle of equality of commercial opportunity and nondiscriminatory treatment. The Chinese Government gave clear indication of this policy a century ago when there were being negotiated the first treaties between China and Western countries.

Upon restoration of peace, the Chinese Government desires and expects to seek and to effect the fullest application of those principles to its own economy and in its political and economic relations with other countries.

¹*Ibid.*, August 21, 1937 (vol. XVII, no. 412), p. 123.

"With many pleasant recollections of my visit to Washington, and with my kindest personal regards, I am, my dear Mr. Secretary,
"Yours sincerely,

QUO TAI-CHI"

The text of a letter dated May 31, 1941 from the Secretary of State, the Honorable Cordell Hull, to the Appointed Minister of Foreign Affairs of the Republic of China, His Excellency Dr. Quo Tai-chi, follows:

"DEPARTMENT OF STATE,

"Washington, May 31, 1941.

"MY DEAR MR. MINISTER:

"I acknowledge the receipt of and thank you for your letter of May 26, 1941 in regard to your visit to Washington and to our conversations during your short sojourn here.

"We greatly enjoyed your visit.

"It is very gratifying to receive in your letter reaffirmation of the endorsement by the Chinese Government and people of the general and fundamental principles which this Government is convinced constitute the only practical foundation for an international order wherein independent nations may cooperate freely with each other to their mutual benefit.

"As you know, the program in which the Government and people of the United States put their trust is based upon and revolves about the principle of equality of treatment among nations. This principle comprehends equality in international relations in a juridical sense, nondiscrimination and equality of opportunity in commercial relations, and reciprocal interchange in the field of cultural developments. Implicit in this principle is respect by each nation for the rights of other nations, performance by each nation of established obligations, alteration of agreements between nations by processes not of force but of orderly and free negotiation, and fair dealing in international economic relations essential to peaceful development of national life and the mutually profitable growth of international trade. One of the purposes of this program is to effect the removal of economic and other maladjustments which tend to lead to political conflicts.

"As you are also aware, the Government and people of the United States have long had a profound interest in the welfare and progress of China. It goes without saying that the Government of the United States, in continuation of steps already taken toward meeting China's aspirations for readjustment of anomalies in its international relations, expects when conditions of peace again prevail to move rapidly, by processes of orderly negotiation and agreement with the Chinese Government, toward relinquishment of the last of certain rights of a special character which this country, together with other countries, has long possessed in China by virtue of agreements providing for extraterritorial jurisdiction and related practices.

"This Government welcomes and encourages every advance made by lawful and orderly processes by any country toward conditions of peace, security, stability, justice and general welfare. The assurances given in Your Excellency's letter under acknowledgment of China's support of the principle of equality of treatment and nondiscrimination in economic relations should have wholesome effect both during the present period of world conflict and when hostilities shall have ceased.

"The Government of the United States is dedicated to support of the principles in which the people of this country believe. Without reservation, we are confident that the cause to which we are committed along with China and

other countries—the cause of national security, of fair dealing among nations and of peace and justice—will prevail.

"With kindest regards and best wishes, I am, my dear Mr. Minister,

"Sincerely yours,

CORDELL HULL

NATIONAL ANNIVERSARY OF CHINA

[Released to the press October 10]

The text of a message from the President of the United States to His Excellency Lin S. Chen, Chairman of the National Government of the Republic of China, on the occasion of China's national anniversary, follows:

"THE WHITE HOUSE, October 10, 1942

"It gives me deep pleasure on this national anniversary of your country to convey to Your Excellency and to the people of China the warm greetings and the whole-hearted congratulations of the people of the United States. During the past year the bonds of friendship which have been welded even stronger in a common struggle against predatory enemies who are tempting to stamp out the freedom which your country and mine so greatly cherish. This anniversary affords us occasion to reemphasize our determination to press forward until the cause of freedom shall be victorious.

FRANKLIN D. ROOSEVELT

Commercial Policy

TWENTY-NINTH NATIONAL FOREIGN TRADE CONVENTION

ADDRESS BY THE ACTING SECRETARY OF STATE¹

[Released to the press October 9]

Just a year has passed since I last had the privilege of addressing the National Foreign Trade Convention.

¹Delivered by the Honorable Sumner Welles at the World Trade dinner of the Convention in Boston, Mass., October 8, 1942, and broadcast over the Blue Network.

During the short space of these 12 months the people of the United States have passed through some of the most portentous events they have known in their entire history. They have experienced the most far-reaching changes in their national life which they have yet undergone. They are confronting the gravest dangers

ever yet had to face. They are now engaged in the greatest war that mankind has ever known.

And yet as we look back over the record of the past 12 months I think we may well feel proud that we are American citizens.

From the moment of the attack upon Pearl Harbor the people of the United States have responded magnificently.

Owing to the nature of the universal war in which we were plunged, it became immediately necessary to send our troops to far-flung outposts in the seven seas. The gigantic difficulties of the carrying out of the strategic plans indeed stagger the imagination. They have been met successfully.

We are raising the greatest army our people have ever needed, and we all of us know the superb way in which that task has been carried

every day that passes our Navy justifies more completely the historic pride which the American people have held in it.

And in the field of production the vast goals announced by the President last winter will in particulars not only be met but be surpassed. Our production will be far greater than that of a very few of our citizens could then have expected.

At this very moment our air force, our Army, our Navy are fighting with our allies in theaters of the Atlantic, of the North Pacific, in many parts of Asia and of the South Pacific, in the Mediterranean and the Near East and are closely joined with our neighbors of the American continent in guarding the Western Hemisphere. Every hour that passes, these forces of ours are becoming stronger and more efficient. Nor do we ever forget the memory of those who, in the defense of our liberties, have already gallantly given down their lives in battle against our enemies.

None of us can deny that some of us have slacked down on our jobs, nor that some of us have not realized fully enough the stark evil of the forces who confront us, the vastness of the resources of our enemies, nor the magnitude of the stupendous task which lies before us. Many of us do not yet realize fully

how great are the sacrifices every citizen must make to insure the success of the war effort, nor the inescapable fact that the individual life of every one of us is going to be changed as a result of the holocaust in which the world has been plunged by the criminals of the Axis powers.

But I have never thought that the American people needed to be browbeaten or bludgeoned into defending their independence and their homes. What the American people require is to be told the truth, as the President of the United States, with courage, with foresight, and with utter frankness, has been telling it to them. They can take it. And when they know the facts no people on earth are capable of a greater accomplishment.

Democracies may take long to prepare for war or to engage in war, but, when the free men and women of a democracy such as ours are at war to preserve their liberty and their faith, they will never fail to excel the regimented slaves of the dictators. We are fighting for our own independence and for the right to live in a decent and a peaceful world. The hosts of Hitler, of the Japanese war lords, and of the Italian Fascist racketeers are being slaughtered because of the insane delusion of their masters that they could make the resources of the world their own individual loot.

Of the outcome of this gigantic contest I have not the shadow of a doubt.

For I am not one of those few who believe that "we are losing this war". I not only believe that we are going to win this war, but I know that however long the struggle may be, however mountainous the obstacles that must yet be overcome, the American people will never lay down their arms until the final and complete victory is won by the United Nations.

In the grim struggle which lies before us we are fighting side by side with the other partners of the United Nations.

Never in the long centuries of modern history have men and women fought more gloriously than have the armies of the Soviet Union. Their epic and successful resistance to the onslaughts of Hitler's forces a year ago not only gave the lie to Hitler's boasts that he could crush the Russian Army but constituted in it-

self the major triumph of the United Nations in the war until that time. And once more through the long summer of 1942 the Soviet heroes have held firm.

We don't hear Hitler tell the German people this year that the Soviet Union will quickly crumble before his offensive. He doesn't dare. For he knows that the German people have learned to their bitter cost that Hitler's promises in this case, as they will soon learn they are in every case, are but the empty lies of a rapidly deflating demagogue.

The United States and its associates among the United Nations must render the utmost measure of assistance to the Soviet Union. Whether that assistance be through the furnishing of arms, equipment, or supplies, or whether that assistance be by means of the diversion of German armies forced upon Hitler through the creation of a new theater of operations, the fullest measure of every means of help will be given. The surest way to insure the defeat of Hitler is to give this help and to give it unstintingly at the earliest possible moment.

The amazing efforts of the British air force in its all-out attacks upon Germany have long since shown the German people how much value they can attach to the assurances given them by the Nazi leaders that Germany would never be bombed. The havoc and devastation created by these British flyers, now joined by our own air forces, are crippling war plants, munitions factories, shipyards, and railways and gravely impairing the German effort to maintain the earlier levels of war production.

Nor can we here in the United States ever fail to remember with profound gratitude and renewed encouragement that 11 of the other republics of the Americas are joined with us, side by side, in the war and that 7 other republics have severed all relations with the Axis and are rendering their neighbors who are at war every form of cooperation and assistance. It is true that the remaining 2 republics of the 21 have still refrained from carrying out the unanimous recommendations of the Inter-American Conference of Rio de Janeiro, in which they themselves joined, that

all of the Americas sever all relations with the Axis, and are still permitting their territory to be utilized by the officials and the subversive agents of the Axis as a base for hostile activities against their neighbors. As a result of the reports on Allied ship movements sent by these agents, Brazilian, Cuban, Mexican, Colombian, Dominican, Uruguayan, Argentine, Chilean, Panamanian, and United States ships have been sunk without warning while plying between the American republics, and as a result many nationals of these countries have lost their lives within the waters of the Western Hemisphere. But I cannot believe that these 2 republics will continue long to permit their brothers and neighbors of the Americas, engaged as they are in a life-and-death struggle to preserve the liberties and integrity of the New World, to be stabbed in the back by Axis emissaries operating in their territory and under the free institutions of these 2 republics of the Western Hemisphere.

Not until freedom was in mortal danger throughout the earth did liberty-loving nations fully learn the lesson of collaboration. Had that lesson been learned earlier, had the United Nations found their unity in anticipation of attack rather than under the urgent pressure of attack, the maximum effectiveness of our war effort would have been reached more speedily. It is now evident that in the cooperation and unity of the United Nations lies our ultimate victory. I believe that it is equally true that in the continuance and tightness of that cooperation also lies our hope for an honest, a workable, and a lasting peace.

The unity which the free peoples have achieved to win their war must continue on to win their peace. For since this is in truth a people's war it must be followed by a people's peace. The translation into terms of reality of the promise of the great freedoms for people everywhere is the final objective. It must be beforehand in charting the course toward that objective. The clearer we can make the outlines of the peace, the firmer will be our determination to attain it, the stronger our will to win the war.

One hears it said that no thought should be given to the problems of the peace, nor to the problems of the transitional period between war and established peace, until after war has been won.

The shallowness of such thinking, whether mere or sinister, is apparent.

In many cases it is due, I think, to what is termed "double ignorance": when a man is ignorant that he is ignorant.

It does not detract from our war effort, nor from the single-minded drive of the Nation towards the ultimate victory, that our people should be thinking of, and planning for, the world of the future in which peace is to be maintained and in which men and women can live out their lives in security and freedom from fear.

Such efforts, in my judgment, contribute directly to the drive towards victory.

The setting up now of efficient machinery to deal with such problems as relief and rehabilitation, for example, which will accompany victory, cannot fail to strengthen the resolve of all liberty-loving peoples, including those in areas now occupied by the enemy, to bring the conflict to the speediest possible conclusion; it cannot fail to make them realize the sort of world for which we are striving is worth the sacrifices of war, is worth the cost of victory.

It is clear to all of us, I think, that the United Nations must maintain their unity beyond the immediate task of prosecuting the people's war in order to prepare for and insure the people their peace.

Point four of the Atlantic Charter promises further the enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.

This promise, and the balance of the Charter, the United Nations adopted as their own by their common declaration of last January 1. Now do they propose to make it real? Some things at least are clear.

Access to raw materials does not mean and cannot mean that every nation, or any nation, can have the source of all of them within its borders. That is not the way the world was put together. Coal and iron in combination are found in few locations. Much of the nickel of the world is in one great Canadian deposit. Neither coffee nor cork will grow in the United States. No nation can be self-sufficient by changes in its boundaries, and those who try by force to do so, as the Axis leaders have tried, bring on themselves inevitably only their own destruction. The path to plentiful supplies does not lie through physical control of the sources of supply.

The problem of raw materials is not exclusively, or even primarily, a problem of colonial or undeveloped areas. The great mineral deposits exist chiefly in countries that are already self-governing, such as the United States, the Soviet Union, Canada, Germany, Sweden, South Africa, Mexico, Brazil. Access to raw materials does not mean possession of a colony. It means effective power to buy in the world's markets.

The legal right to export raw materials has seldom been restricted by producing countries. True, the United States and other countries sometimes have been guilty of forbidding the export of certain things needed for production elsewhere, for fear that others might obtain the means to trespass on their markets. But those cases were rare. Countries producing raw materials desired normally to sell their surplus, and the problem usually was to find a profitable market. The right to buy was real and satisfied peace-loving peoples. Belgium, Denmark, Sweden, Switzerland, Czechoslovakia, Norway, not to speak of the United States and England, bought in the years between the wars great quantities of foreign raw materials, and none of them claimed that they needed greater resources to live. The countries that complained and shrieked that they must have colonies or die have shown now by their conduct that what they wanted was not prosperity and peace but the materials for making war.

For war, indeed, one cannot count on overseas supplies, and an aggressor must first corner all he can of coal and iron and oil and copper, in the ground or out of it.

But the Atlantic Charter does not propose to aid aggression. It proposes, on the contrary, to make sure that aggression does not happen, and to that end the United Nations will create the necessary instruments—and this time they will be effective instruments and must be firmly used—to make it certain that any power that again threatens to enslave its neighbors is denied the means to do so. The materials of war must be denied to any future Hitler.

The access to raw materials of which the Charter speaks is access for the purposes of peace. For that purpose it matters little in whose territory particular resources are found. Access means the right to buy in peaceful trade, and it exists whenever that right is effective and secure.

What forces then have interfered with that right in the past or may interfere with it in the future?

Most raw materials are not subject to monopolistic practices because producers are too numerous; but there have been charges in the past, and there are charges now, that in certain cases the producers of some commodities, with the support of the governments to which they owed allegiance, have managed, by what our Sherman Law calls combinations in restraint of trade, to reduce supplies and enhance prices beyond reasonable levels or to discriminate among their customers. A world devoted to increased production and fair and fruitful exchange of all kinds of useful goods cannot tolerate such practices.

But monopoly in the field of raw materials is not the major problem. Most materials are plentiful in peace, and their producers want to sell them to any customer who has the means to buy. The real problem of consumers has always been the means of payment. In the world that emerges from the war that problem will be very serious indeed.

When this war ends much of the world will be impoverished beyond anything known in modern times.

Relief cannot go on forever, and the must come as soon as possible when the devastated areas again are self-supporting. There will require enormous shipments from abroad both of capital goods and of the raw materials of industry. For these early reconstruction shipments no immediate means of payment will be visible. That means large financing, mostly of it long-term. The United Nations must arrange that too. But finally comes payment both of whatever interest burden the loans carry and for the current purchases of materials and other imports. I need not tell this audience that international payments, on that scale, can be made only in goods and services. There is no other way. Access to raw materials comes in the end to access to the goods and buying markets of the world. Those who expect to export must take the world's goods and services in payment. I hope that the United States is ready, now, to act upon that lesson.

The United Nations have agreed to act upon it, and in mutual-aid agreements with a growing number of them we and they have promised to direct our common efforts to increased production, employment, and the exchange and consumption of all kinds of useful goods. And they have promised further to attack the problem by removing discriminations in the treatment of international trade and by removing unwarranted and artificial tariff barriers. The future prosperity and peace of the world and of the United States, depend vitally on good faith and the thoroughness with which we and they together carry out those promises.

During the war as fully as we can, and now fully after we have destroyed the madmen who seek to rule the world by force and terror, the United Nations will go forward in loyal partnership to carry out the pledges we have made to each other and the world.

There is no limit, then, to the material prosperity which is within the reach of the United States, and of mankind. The great thing that has happened in our time is that mankind long last has taught itself enough of the methods and techniques of production, of transport, and of scientific agriculture so that it is technic

ssible to produce and to distribute on this
net the basic physical necessities of health
d decent living for all of the world's people.
hat remains—and it is a great and formid-
le task—is so to remake our relations with
h other, in loyal and cooperative effort, that
e great productive forces which are within
sight may function freely for the benefit
all. It is within our power to make a mighty
rt upon that road; we have laid down the
nciples of action; it is for the people of the
ited States to determine whether their Gov-
ment is to be authorized to carry on.

For 12 tragic years after the close of the
t World War the United States withdrew
m almost every form of constructive cooper-
on with the other nations of the earth.

We are reaping the bitter cost of that isola-
n.

For I am persuaded that, after the victory
is won, so long as the power and influence of
the United States are felt in the councils of the
world, so long as our cooperation is effectively
offered, so long can one hope that peace can
and will be maintained.

The blessings we have inherited from our
forefathers do not constitute an inheritance that
we may only passively enjoy. They can only
be preserved by sacrifice, by courage, by resolu-
tion, and by vision.

If the American people prove themselves
worthy of their ancestors, if they still possess
their forefathers' dauntless courage and their
ability to meet new conditions with wisdom
and determination, the future of this Nation
will rest secure and our children and our chil-
dren's children will be able to live out their
lives in safety and in peace.

ADDRESS BY RAYMOND H. GEIST¹

SOME ECONOMIC ASPECTS OF OUR FOREIGN RELATIONS

leased to the press October 8]

With the advent of the war the burden and
responsibilities of assisting the President in the
conduct of the foreign relations of the United
States have weighed upon the State Depart-
ment to a degree probably unprecedented in
history. The task has become an under-
standing of greater complexity and increased
seriousness, commensurate alone with the scope
of the war itself, involving the fate of the
nation and the destiny of all our people. No
Department of the Government with the ex-
ception of the War and Navy Departments is
so directly concerned abroad with the busi-
ness of winning the war than the Department
of State. This is especially true since the
main theater of conflict is outside of the con-
tinent limits of the United States and extends
most exclusively into the territories of foreign
nations that are allied with us in this great
struggle for victory.

Delivered before the Twenty-ninth National Foreign
Relations Convention at Boston, Mass., October 8, 1942.
Geist is Chief of the Division of Commercial
Affairs, Department of State.

The supreme duty of the Government in
prosecuting the war with maximum energy and
vigor requires an intensification of intercourse
between this country and our allies and friends.
The far-flung nature of the conflict involving
every part of the known world demands ex-
treme watchfulness in every quarter, on land,
on sea, and in the air, to the end that we may
assist our allies and friends whenever and
wherever this is possible, always availing our-
selves of their support and help. Throughout
the world, where the enemy has not been able
to black out civilized intercourse the channels
of diplomatic conversation have been kept open.
To help keep these channels open and to make
them effective ways through which the struggle
may be waged with success are primarily the
business of the State Department.

In the past the foreign relations of the
United States have not, in any popular sense,
been of interest to the general public. The
overwhelming importance of domestic issues,
garnering the fruits of prosperity and national
well-being, and cherishing safe and progres-
sive existences within the boundaries of

riches and plenty have habitually rendered the citizens of this country unconscious of the importance of the rest of the world to their security and way of life.

This age is past. Henceforth the people of the United States will appreciate with increasing conviction the vital role which other nations and peoples of the earth play in our own destiny. We are realizing, as never before, how the lives of our soldiers, our sailors, and our airmen are dependent to an overwhelming degree on the valor and steadfastness of our allies and on their will to resist the common enemy. The world is slowly but irretrievably separating itself into two camps: friend and foe, of which the former comprise a great percentage of the inhabitants of the earth. Some of our friends have not yet taken up the sword of battle to plunge into the fray on their own account, as the process of war is laborious and the issues are weighed with deep and grave concern by every nation. It is, however, a vital part of the Government's war program to strengthen the common effort through winning the support of friendly nations and securing their cooperation in the momentous task of winning the war. Establishing a common cause throughout the civilized world among nations whose people are committed to the survival of freedom and the advancement of civilization is the cardinal objective in the present crisis of our Government's foreign policy. The Department of State, through its diplomatic missions and consular representatives abroad, maintains the first line of contact with foreign states; the second is through official relations with ambassadors and ministers of other countries resident in the Nation's capital. Through these channels the multitudinous problems and questions which concern the conduct of the war are discussed and solutions are sought. The scope of these problems is as complex and as vast as the war itself, requiring expert knowledge and experience not only with respect to foreign states but also with regard to the matters under negotiation. Since conversations and negotiations going on between governments are most frequently of a confi-

dential nature, particularly during the prosecution of a war, the State Department is unable to reveal the multitudinous details of its labors, the successful accomplishment of which bring victory every day nearer. There is no secret, however, in the broad lines of policy which control the relations of our Government with other states. Our objectives in war and peace have been sufficiently proclaimed by the President, the Vice President, the Secretary of State, and the Under Secretary of State, and other responsible officials of the Government who have made public statements. These policies are founded on the traditional high principles which our Nation has been dedicated from its earliest days of the Republic, constitute the basis of all negotiations and dealings with foreign states. On this account the Government of the United States in its intercourse with other countries enjoys a marked advantage over the regimes controlling the Axis states and the puppet governments they support. The commitments of the latter are worthless; their diplomacy consists of deceitful maneuvers; the assurances and pledges of their ambassadors and ministers are false and delusive.

As before the war, so during the present conflict, the State Department remains the principal agency of the Government through which the foreign relations of the country are conducted. The Department is responsible for the diplomatic phases of the war effort and for the maintenance of close relations with countries that are engaged with us in the struggle now being waged. Besides, there remains the task of strengthening hemispheric solidarity and aiding those countries united with us to repel aggression and to defend themselves against attacks of every kind wherever these may threaten. The vast plans which are being carried forward on every hand, not only in this hemisphere but in many distant parts of the world, to advance and strengthen our strategic and economic position require the constant operation of the State Department and of its representatives abroad who are under the direction of the Secretary of State. The G

ment's activity in prosecuting the war throughout the world has likewise placed upon the Foreign Service a greater burden and responsibility than has ever been known before. In 1932 the personnel of the Department of State numbered 823 officials and employees, at an annual cost to the Government of \$1,900,000. The Foreign Service of the United States in 1939 numbered 4,106 persons on the payroll with salaries totaling \$7,315,254. With the intensification in the international situation during the years immediately preceding our entrance into the war, the personnel in both the Department of State and the Foreign Service were being increased to meet the greater responsibilities involved in the conduct of foreign relations. At the end of this year the Department of State has an authorized strength of 2,836 positions with a payroll of \$6,262,940, while the Foreign Service, including the newly established Auxiliary Service, had 4,143 positions with a payroll of \$8,613,926.

In recent years, while the international situation was steadily approaching the crisis which at last engulfed the world, the activities of the Department of State have correspondingly increased. Since the outbreak of war in 1939 heavier responsibilities have devolved upon every division and office of the Department, practically without exception, immeasurably increasing the volume of the work accomplished and vastly extending the scope of official business transacted. Likewise, the Foreign Service has necessarily undergone important shifts in the assignment of personnel, and reorganizations and prompt implementation of staffs have quickly met the demands of the emergency created by the war. Officers throughout the world have had to adapt themselves rapidly to new tasks and undertake a variety of labors created by the war. The ambassadors and ministers at foreign posts have their responsibilities multiplied many times over. The record of their achievement in carrying on difficult diplomatic negotiations and in providing the Secretary of State with reliable and accurate information during this critical period in our country's history enabled the Government for some time in

the past to calculate with certainty the inevitable march of events toward war, which calculations are responsible at least in part for those preparations which have been timely made.

In my address delivered in July in 1940 before this Convention in San Francisco I spoke of the President's Reorganization Plan No. II, by which the functions of the Agricultural Foreign Service and the Foreign Service of the Department of Commerce were consolidated with the Foreign Service of the Department of State. This consolidation was effected in 1939 before the outbreak of war in Europe. The purpose then envisaged has been achieved. But in addition to the elimination of overlapping and duplication of effort, securing better functional grouping, efficiency, and economy, greater service to our commercial and agricultural interests has been attained. It was timely foresight for this Government to enter the greatest conflict the world has ever known with a unified and expanded Foreign Service, which is now called upon not only to serve as an effective arm of the Government in all its contacts abroad but to cooperate and assist all departments and agencies operating in connection with the war effort in foreign fields. The Department of State, through its missions and consulates throughout the world, coordinates the activities of all representatives of the Government sent abroad for particular purposes. In every quarter of the globe where the attack can be made the Foreign Service is vigorously combating the efforts of the Axis powers insidiously deployed in the political, economic, cultural, and administrative fields.

Owing to the closing of many offices in Europe and in Asia on account of enemy action, the permanent staff of the Foreign Service has decreased, though the number of officers since the outbreak of war has become greater. It has been necessary, in order to meet the demands of the war, to create an auxiliary service on a temporary basis, which numbered 518 as of July 1st. These officers have been utilized effectively to serve other war agencies and to meet the increased demands for new offices at strategic locations vital to the

conduct of the war and to the protection of the lives and property of American citizens. The diplomatic and consular officers who have returned from posts now in enemy or in enemy-occupied territory have been assigned to other missions and consulates where on account of the urgency and the extent of our efforts in the war the work has increased in most instances beyond the capacities of the staffs which the Department is able currently to maintain. With the increasing activity of other departments and agencies and the arrival of their representatives in foreign countries, a correspondingly heavier volume of work devolves not only on the Department but as well upon the officers in the field who are lending their assistance and cooperation. To expedite this phase of the Government's activity the establishment of new and appropriate administrative machinery has been necessary.

The promotion of hemispheric solidarity through a program of practical aid and cooperation with the other American republics is primarily under the direction and guidance of the Department of State, though other departments and agencies are actively participating. This includes the various types of development work, industrialization missions, health and sanitation projects, food and nutrition improvements, the building of highways, and the affording of economic and financial relief on account of conditions created by the war. Besides, there is the vast work of providing an over-all hemispheric defense, which efforts have been implemented by meetings of the Foreign Ministers of all the American republics, such as the meeting held in Rio de Janeiro in January of this year, to insure full cooperation in joint problems of defense.

The necessity for economic mobilization has not only set the great industrial processes of the United States in accelerated motion but at the same time has required the utilization to the utmost of all resources which are obtainable from all accessible parts of the world. Securing and mobilizing these resources in cooperation with other agencies and governments has been one of the outstanding achievements of the

State Department. From the beginning it was realized that successful defense measures were dependent upon the imports of critical strategic raw materials, and the work of the State Department in this great effort has had two main objectives: (1) the conduct of negotiations with foreign governments and necessary collaboration with the other interested departments and agencies of the Government for the purpose of assuring to the defense effort the maximum importation of strategic materials, especially those of which the supply is potentially short, and those materials the importation of which is most likely to be exposed to the threat of hostile naval action; and (2) the conduct of negotiations with foreign governments for the purpose of blocking the transfer of strategic materials of value to the Axis powers. Furthermore, the direct intervention of the Government in this process of mobilizing materials was essential, as it was impossible to rely upon the action of private importers in this country to insure the necessary importation of these strategic materials. Besides, it was necessary in almost every case to obtain through the diplomatic channels of the State Department some form of action by foreign governments to assure the maximum production of these materials. Finally, this whole program has been dependent on the creation of the necessary transportation facilities to move the materials to ports for shipment to the United States. The State Department has acted as originator of many of these projects and as intermediary between the procurement agencies of this Government with the governments of producing countries. As a result of these efforts, which were begun by the State Department at the very start of the defense effort, substantial stock piles of many strategic materials have been built up as reserves for the war effort and large quantities of these materials have been brought into the country by the procurement agencies of this Government and distributed to industry for use in the war program. The main strength of this program has been the action of the Federal Loan Agency in its realization of the necessity of making maximum

tations of these strategic materials and its effective action in making the many contracts ident to acquisition as well as the effective operation of the Board of Economic Warfare and the War Production Board.

The activities of the Department in the field economic warfare represent a substantial and contribution to the total war effort; and relations of the State Department to economic defense operations is of the most direct and sweeping character—although the administration of nearly all these operations is entrusted in practice not to the Department of State but to one of the operating agencies of the Government. The Treasury Department administers freezing control; shipping control by the Maritime Commission; export control by the Board of Economic Warfare; priority and rationing control by the War Production Board; and the purchase of strategic materials and the extension of credits by the Federal Loan Agency.

quoting a Departmental memorandum: "For principal reasons the Department is involved in these operations of other agencies. First, it is the instrumentality which assists the President in the exercise of his constitutional prerogative of conducting our relations with foreign governments. Second, our Foreign Service Officers are the antennae of the Government reaching out into all parts of the world. This requires participation by the Department at two points in all international economic operations: it must advise with and guide the operating agencies upon the foreign policy aspects of their decisions; and it must in large measure, furnish the means of carrying out these decisions insofar as they require action in foreign countries. It is obvious that no operating decisions and actions may be taken which do not have influence upon foreign policy relations of the United States; and, moreover, many operations involve not only the interplay of political and military considerations, but also, the economic field decision and action by one or more of the operating agencies of the United States. In many cases the operating agencies do not rely upon the Department of State not

only for the broad foreign policy considerations involved in a particular problem, but also for the specific information upon which the operating decision must be based."

In the prosecution of economic warfare the Department, in cooperation with other agencies, has accomplished a vast work in the preparation and publication of the *Proclaimed List of Certain Blocked Nationals*. It is impossible wholly to evaluate the effect which this action has had in arresting and combating Axis economic and commercial penetration in the other American republics. It has identified the outstanding pro-Axis commercial and financial enterprises in these countries; it has seriously limited the operations and prestige of these enterprises and in many cases has wholly eliminated them; and it has dried up the very sources of Axis propaganda and influence and the means of conducting subversive activity.

The Department has cooperated with the Treasury in the control of foreign funds; with the Department of Agriculture in connection with agricultural projects in the other American republics; and with other agencies directly furthering the war effort, including the Department of Commerce, the War and Navy Departments, the Coordinator of Inter-American Affairs, the Office of Price Administration, the Office of Strategic Services, and the Office of Lend-Lease Administration.

In the gathering of information from abroad the Foreign Service of the United States has been doing the greatest feat of reporting ever accomplished during its long history from the days of George Washington. The number of reports, despatches, and telegrams transmitted to the various departments and agencies of the Government makes an impressive figure. Many of the despatches and telegrams transmitted represent communications between the departments or agencies and their representatives abroad engaged directly in some phase of war work; but the larger percentage of the material made available by the Department to other agencies of the Government contains information vital to the success of their own operations at home or abroad. During the

month of September distribution of material to other agencies and departments was in part as follows:

Number of telegrams, despatches, and reports received by the Department from abroad and sent to other departments and agencies during September 1942

Board of Economic Warfare	6,069
Department of Commerce	4,201
Department of Agriculture	1,502
Department of the Treasury	1,369
Reconstruction Finance Corporation	899
Lend-Lease Administration	874
War Production Board	747
War Shipping Administration	535
All others	4,977
Total	21,173

The volume of these communications is steadily on the increase, and the number—which has already reached unprecedented totals—indicates how the war effort is steadily getting into its stride.

While the whole machinery of the Government is being geared to the struggle of winning the war, and the main lines of international trade and commerce have been merged into the war effort, what we have achieved in

peace and stoutly reared as the very foundation of our free and democratic existence being solidly preserved. There has been no change in the policy which governs our commercial intercourse with other nations. The trade-agreements program is being continued with the same conviction as to its efficacy in promoting common advantage and material progress among nations in their international economic relations. The controls now exercised by the Government over imports and exports have been imposed solely in order to win the war and not to direct the channels of foreign trade arbitrarily along specified lines or to suggest any new system of exchange of goods among nations.

No matter how long the war lasts—and it will last until victory is achieved—and no matter how much we may have to diverge from our normal free way of transacting business with other countries, the departments of the Government whose duties are to advance the foreign-trade interests of the United States—namely the Departments of State, Commerce, and Agriculture, hold steadily in view the coming era of peace; and these departments when the time comes, will be ready to assist American industry to resume its rightful place in the world's international trade and commerce.

ADDRESS BY HARRY C. HAWKINS¹

BRITISH-AMERICAN TRADE RELATIONS AFTER THE WAR

[Released to the press October 9]

I

Official thinking in both Great Britain and the United States, and in other countries, has gone far enough, despite the preoccupations of the war, to indicate and get agreement on the general principles which should govern

¹Delivered before the Twenty-ninth National Foreign Trade Convention at Boston, Mass., October 9, 1942. Mr. Hawkins is Chief of the Division of Commercial Policy and Agreements, Department of State.

economic relations between nations after the war. These objectives and principles upon which agreement has been reached afford a solid basis for the discussion of post-war Anglo-American relations.

The agreed-upon objectives of the two Governments are set forth in the mutual-aid agreement concluded by the United States and the United Kingdom on February 23, 1942. Agreements in practically identical terms have been entered into by the United States with China and the Union of Soviet Socialist Republics, Bu-

a, Poland, the Netherlands, Greece, Czechoslovakia, Norway, and Yugoslavia; and the principles of the agreement with the United Kingdom have been agreed to by Australia and New Zealand. It is difficult to overstate the significance of these agreements. Given the general public understanding and support, this will become an outstanding landmark in the development of international commercial law. For convenience, I shall confine my remarks to the agreement with Britain, but much of what is said applies also to other countries.

The primary function of the mutual-aid agreement with the United Kingdom is, as the title indicates, to lay down the principles applying to mutual aid in the prosecution of the war. This document also lays down the principles applying to mutual aid in the prosecution of the peace. Its peace-time significance will prove to be as great as, or possibly even greater than, its role in the war.

In its war-time role, the agreement provides that this Government will supply such defense articles, services, and information as the President may authorize; lays down certain obligations with respect to the transfer of title of such articles or information; provides for the return of such unexpended material as the President may decide upon; and provides that the United Kingdom will reciprocally supply such articles, services, facilities, or information as it may be in a position to supply.

The role of the agreement as an instrument of peace developed out of the question of the way in which Britain will settle for lend-lease aid received. This subject was dealt with in the agreement pursuant to the provision in the Lend-Lease Act of March 11, 1941, to the effect that the terms and conditions upon which any foreign government receives lend-lease aid shall be such as the President deems satisfactory, and that the benefit to the United States may be in the form of payment in kind or property or other direct or indirect benefit. Since the magnitude of this aid nor the nature of reciprocal aid can be known until the war is over, the agreement does not attempt to

make a final settlement but confines itself to laying down the conditions and principles which shall govern the settlement.

II

The first of these conditions is that the settlement shall be such as not to burden commerce between the two countries. In view of the importance of our trade with Britain to large numbers of our primary and other producers, and in consequence its importance to our whole economy, this provision is based upon considerations of purest self-interest. It has in view the fact that the payment of large sums by Britain to the United States would destroy a market which in the past has been of great importance to our producers of such things as lard, tobacco, fruits of various kinds, cotton, and numerous other agricultural and manufactured products.

This would be true if Britain's purchasing power for foreign goods were the same after the war as it was before. Actually, it will be radically altered for the worse. Lend-lease aid to the United Kingdom will run into billions. Even a prosperous Britain, with an export trade surpassing anything heretofore enjoyed and returns from investments, shipping earnings, and other sources equaling what it has had in the past, might not be able to discharge such a debt in years, even if it devoted all the dollars it could acquire to this purpose and dispensed with imports in excess of those necessary to maintain living standards at a bare subsistence level.

The actual situation is likely to be radically different from this. In 1938, the last full year before the war, the United Kingdom's imports exceeded its exports by 377 million pounds. To pay for this excess the United Kingdom had a net income from shipping, investments, and other sources of 322 million pounds, leaving a deficit of 55 million pounds, which could only be liquidated by exporting gold, borrowing, or liquidating investments. During the war it has been necessary to liquidate a large volume of overseas investments in order to meet the rapidly mounting deficit. The income from these liquidated investments will, of course, be no longer available for the purchase of foreign

goods. Before the war is over, Britain may have lost half of its income from this source.

Not only will the purchasing power derived by Britain from its foreign investments be drastically curtailed but its income from other sources may also be much less than it was before the war. For example, if a smaller British merchant fleet should have to face the competition of war-expanded shipping in other countries, income from this source would be seriously reduced. Loss of income from these and other sources would make Britain to a much larger extent dependent upon its exports as a means of providing its purchasing power for foreign goods.

But an expansion of its exports as a means of providing the wherewithal for buying what it needs will be difficult at best, since British industry, like ours, will be faced with the task of reconverting to peace-time production.

In the circumstances which seem likely to exist, therefore, we must consider whether we would be serving our own interests by attempting to collect billions from Britain for lend-lease aid. Even if such a debt could be paid, the economy of the United Kingdom probably would collapse under the strain and our own economy would be injured. If every available dollar over and above the amount required for obtaining imports needed to keep the British people from starving and to obtain other essential products were devoted to making payments on such a vast scale, the standard of living of the British people would sink to very low levels and our producers would find one of their best markets drastically curtailed. All our other markets which obtain purchasing power through large sales to Britain would be seriously impaired.

This situation would be particularly serious for us because after the war, in order to maintain employment at anything like its present level and find employment for our demobilized soldiers, we will have to produce vast quantities of goods and will need, as we have never needed before, prosperous foreign markets to absorb our surpluses.

In brief, if we attempted to liquidate in time of peace by means of payment in cash or kind the vast sums involved in war-time transactions and actually succeeded in doing so, we might find, at a time when we were most in need of foreign markets, that we had ruined our best customer, injured others, and thereby seriously crippled ourselves.

III

If we proceed on the idea that, in general, it is not in our interest to regard lend-lease transactions as ordinary commercial transactions to be settled for as such, the mutual-aid agreement becomes one the purpose of which can be described in simple terms: it is intended to serve the dual purpose of bringing about the greatest possible cooperation in the prosecution of the war and in the laying of foundations for an enduring peace. Such cooperation would constitute the most important benefit the American people could obtain in return for lend-lease aid.

The economic peace aims are, broadly stated, to bring about the reduction of trade barriers and the removal of discriminations, and the adoption of other suitable measures for bringing about expanding production, expanding trade, expanding consumption, and full employment, throughout the world; in brief, to create an expanding world economy.

IV

The agreement itself does not attempt to set forth all the measures which should be taken to these ends but leaves these to be worked out by future agreements. It does, however, specify the removal of discriminations and the reduction of trade barriers among the things to be undertaken. This recognizes the fact that the freeing of the channels of international trade, which became blocked during the interval between the wars by every conceivable kind of obstruction, preference, and discrimination, is indispensable to successful action in any other field.

the freer international exchange of goods indispensable in any scheme for a reconnected world because it goes to the heart of the problem. Trade is the lifeblood of production and employment. Plans for stabilizing exchange rates must have as a primary object the creation of better conditions for trade, but such plan can work for long or make much less if governments continue to distort and obstruct the channels of trade. Plans for investment in developing the resources and diversifying the production of undeveloped areas necessarily have as an outstanding object the promotion of international trade in the interest of the countries providing the help as well as in the interest of countries receiving it. It makes little sense if governments maintain or impose new obstacles to the trade which is sought to develop and thereby destroy not only the trade but the investment as well. In the last analysis, every problem in the field of international economic relations resolves itself to a problem of trade. Action in the field of trade barriers and discriminations is so indispensable to accomplishing the ends which mutual-aid agreements have in view, and which itself would go so far in accomplishing these ends, as to rank almost as an end in itself. However, we must not for a moment lose sight of the difficulties in freeing the channels of trade. These difficulties are inherent in the trade-barrier problem, and also grow out of the fact that action in this field is related to, and to some extent dependent upon, the solution of other problems outside of this field. The greatest danger of all to any plans for an expanding world economy lies in the fact that protectionism is inherently an expanding force which feeds upon itself and tends always toward extremes. The producer who manages to obtain tariff protection against foreign competition once encourages other producers to seek it and if these other producers succeed in obtaining more the first one is emboldened to try to obtain more. Despite any theoretical "infant industry" or other grounds advanced in support of tariff subsidies, this is really the way in

which tariffs grow. Our own tariff history will provide plenty of illustrative material.

But the vicious spiral does not stop here; it spreads throughout the world. If one country shuts off foreign trade to favor certain of its own producers, other countries will be forced sooner or later to do the same or more, which in turn provides further reason for a higher tariff in the country which started the show. In other words, within each country and between countries these influences interact upon each other to produce ever-growing barriers to trade.

This inherent tendency of trade barriers to rise was not destroyed by the passage of the Trade Agreements Act in 1934. Interests which seek to profit from this tendency bitterly contested the renewal of that act in 1937 and again in 1940. They have resisted virtually every tariff reduction in the trade agreements that have been negotiated. They have used every device in the formidable arsenal of the pressure groups to block action in the interest of our great export branches of agriculture and industry, in the interest of workers as producers and as consumers, and in the national interest generally. To most of the leaders of pressure groups, the war in Europe and the Far East, the attack on Pearl Harbor, the present desperate struggle for a free world are unrelated to the trade-destroying measures they have sought and still seek to have imposed. To them the economic clauses of the Atlantic Charter and the provisions of the mutual-aid agreements do not hold forth the promise of a better world—a fairer trade deal all around—but a threat to their selfish interest, a danger that they must take steps to overcome. Such leaders of minority groups, wielding a power far out of proportion to their numbers, will continue, come what may, to exert a constant pressure against all efforts to create a saner world.

Given the interacting forces which tend always toward higher and higher trade barriers, it is probably not too much to say that if all restraining influences were withdrawn, if no

voice were raised to stop the trend, if tariffs were never bound in trade agreements, if mutual-aid agreements were never concluded with a view to charting a sane course, the rise of trade barriers throughout the world would continue at an ever-accelerating pace until the point of complete national self-sufficiency was reached throughout the world.

There can be no doubt whatever that once that point was reached wars would become inevitable and frequent, since the effect would be to make each country, no matter how small and poor and crowded, a virtual economic prisoner within its own boundaries, compelled to eke out whatever meager or unbalanced subsistence those resources might afford. The only relief for countries ill-favored in per-capita natural resources would be to expand their frontiers by force. No scheme for an international force for restraining violators of the peace would work in such a situation or in one even approaching it. A world in which there is want or injustice would be one in which force would have to be applied so often as to create a perpetual state of war. Certainly that is not the sort of world we are now fighting for.

Under the heading of trade barriers and discrimination, bilateralism must be given prominent attention. Bilateralism is inherently discriminatory. It is the device which Nazi Germany employed with such ruthlessness and vigor. It is probably the most effective weapon for cutthroat trading, economic oppression, and stifling of commerce which the ingenuity of man has yet devised. Its abolition is an indispensable condition to the economic reconstruction of the world. It has short-sighted attraction for countries with import balances and faced with balance-of-payment problems. But in the end it leads to disaster for everybody.

Yet, note must be taken of the fact that unless vigorous steps are taken, some countries might find resort to bilateralistic trade irresistible.

If, for example, Britain owned blocked balances in a foreign country, needed the products of that country, and lacked dollars, it would have the alternative of going without goods

which it might desperately need or of buying them in the country where its balances were blocked, even though the United States or any other country might be able to supply the products at lower prices. The remedy here, of course, to take such steps, including action with respect to trade barriers of other kind, will insure that the currencies of the world will be interchangeable at stable rates and thus prevent currencies from being blocked. Our operation to this end will be indispensable, if we should fail to provide it we could complain if the provisions of the mutual agreement relating to the abolition of discriminations failed to bear fruit. Given tremendous interest in these matters, I feel that such cooperation will be provided.

V

In addition to the lowering of trade barriers and the removal of discrimination, the mutual aid agreement with Britain has in view action directed to the expansion by other appropriate international and domestic measures of production, employment, and the exchange and distribution of goods.

Domestic measures for promoting employment and stable economic health may be no less important internationally than measures of international character, because of the essential fact that if the national economy of any important country is sick its purchasing power declines, its foreign trade will languish, and other countries will suffer.

But there is the ever-present danger that countries will try to improve internal conditions in disregard of world trade. If domestic measures are adopted which interfere with an expanding international economy, they will be self-defeating, since in most countries domestic prosperity and full employment could not be maintained without a thriving foreign trade. Even in countries with varied resources, such as the United States, such measures would require radical and painful readjustments and reorganization of production and other economic functions. The domestic measures referred to

mutual-aid agreement must necessarily, therefore, refer to those which would harmonize an expanding international economy and contribute to such expansion. The test of every domestic measure should be that it should contribute to this end, or at least not interfere with it.

Measures in the international field other than reduction of trade barriers and the removal of discrimination must of course also be taken. Measures to assist in developing the resources and diversifying production in undeveloped countries by means of technical assistance and financial help are fully in line with the aims of the mutual-aid agreement. This will create purchasing power which lies at the basis of peace, which in turn benefits not only the countries receiving the help but also the country giving and other countries as well.

Again, however, care must be used lest the means employed defeat the ends in view. The development of resources through the creation of new industry which can only survive within the shelter of a towering tariff wall may only create a national and an international liability, not only because the barriers erected for its protection shut out the particular kind of goods produced by such industry but because consumers are compelled to use inferior or high-priced goods, thus reducing their purchasing power for other goods. In general, the aim should be to create industries in undeveloped areas which are well-suited to those areas and to stand on their own feet.

The manner in which financial aid in the form of loans and investments is supplied may also be so arranged as to defeat the purposes which the mutual-aid agreement has in view. The freeing of the channels of trade, stabilizing exchange rates, and security against the outbreak of war would give a tremendous impetus to private investment in developing the world's resources. But some government financing will doubtless be necessary in view of the tendency of the private investor to think in terms of quicker returns than do governments intent on long-range objectives. To the extent that loans and investments

are made by governments, the aims of the mutual-aid agreement will tend to be defeated if the creditor country takes advantage of its position to create spheres of influence and closed-door areas.

VI

An increase in efficient production throughout the world will increase buying power, which is an essential ingredient for causing an expansion of trade; the lowering of trade barriers will make possible an expansion of world trade; expansion of trade will stimulate further production and employment, which further increases purchasing power, and so on, in an upward spiral of prosperity. We should therefore look with the utmost favor on any measures, domestic or international, government or private, which will create efficient production in new areas or build it up in old ones.

It is clear from even a superficial examination of the probable British post-war position that Britain's ability again to take its place as one of our most important foreign markets will depend to a larger degree than ever before on the ability of British industry to develop export markets and thereby provide the means of meeting the country's import requirements. This in turn depends upon the ability of British industry to get itself back on a competitive basis. It is definitely in the interest of the United States that British producers acquire the strength that will enable them to compete without the benefit of fenced-off empire and other preserves and to develop the thriving export business upon which British living standards in the future so largely depend.

We must think of Britain less as a competitor and keep an eye on Britain as a customer and bear always in mind that a prosperous Britain, able to import from the rest of the world, is a maker of other customers for us. Britain must regard us in the same way, and each of us must look at all other countries in this light. We must recognize the fact that where purchasing power exists trade will thrive, as shown by the trade between highly developed industrial countries—a trade which is possible because of the

relatively high buying power of industrial areas and the fact that the tremendous range of types, styles, and qualities of industrial products permits an interchange of products without the direct head-on kind of competition which characterizes that between virtually inter-

changeable staple products of different origin. We should always bear in mind the fact that we can get a big enough world market—our purchasing power is the key to this—neither the United States nor Britain nor anyone else will have much to worry about.

General

PRESENTATION OF LETTERS OF CREDENCE OF THE NEWLY APPOINTED AMBASSADORS OF CHINA, GREECE, AND YUGOSLAVIA

[Released to the press October 6]

The remarks of the newly appointed Ambassador of the Republic of China, Dr. Wei Tao-ming, follow:

"MR. PRESIDENT:

"It is a great honor to me to be received by Your Excellency today as Ambassador Extraordinary and Plenipotentiary of the Republic of China to the United States of America. As Your Excellency is aware, my formal letters of credence and the letters of recall of my distinguished predecessor have not yet been received.

"I am particularly charged to convey to you, Mr. President, the cordial greetings of President Lin Sen and his best wishes for your personal happiness and for the prosperity and good fortune of the nation whose destinies you have guided with such conspicuous courage and vision.

"It is a source of especial pride to me that I should be accredited as the official representative of my Government in a country where the maintenance and development of democratic institutions, firmly founded on the principles of human freedom, have long won the profound admiration of the Chinese people. My country has been fortunate to gain your warm friendship, and we are deeply grateful for the tangible interest in our welfare which has been shown by the Government and the

people of the United States throughout the long years of adversity and bitter resistance against aggression. It shall be my pleasant duty to endeavor to promote and strengthen the traditional ties of friendship and cooperation which have always existed between the two nations.

"Today we are united in the single purpose of achieving victory over our common enemy. More than ever before, the free peoples of the world and those who love freedom must stand together, fight together, and work together, so that the forces of tyranny and aggression may be destroyed forever. I can assure you, Mr. President, that my Government and my people will continue to do their full part in this global struggle for the preservation of civilization, and, when victory comes, will gladly share the heavy responsibility of fashioning a just and lasting peace."

The President's reply to the remarks of Dr. Wei Tao-ming follows:

"MR. AMBASSADOR:

"I am happy to greet you in the spirit of warm friendship which has long existed between the United States and China.

"I understand that your formal letters of credence will arrive later by mail, as well as the letters of recall of your distinguished predecessor, Dr. Hu Shih, who has contributed

ch to maintaining and enhancing friendship
l cooperation between our two countries.

It gives me pleasure to receive from you the
dial message of President Lin Sen and I
st that you will convey to him my sincere
preciation of his kind and encouraging
rds.

Our two countries, long bound together by
mon ideals and by the principles of human
edom and world order under law, are, as
say, now united as comrades in arms in the
atest struggle of all time to defeat the forces
tyranny and aggression. The Chinese
ple through more than five years of heroic
fare against a ruthless enemy have shown
in and again that they have those qualities
ch are requisite for victory. Though a
er partner in the struggle, the people of
United States—in our armed forces, in our
ories, and in our homes—have shown a
it and determination which guarantee that
also shall not be found wanting. Both our
tries know that there is no easy road to
ory and that victory can be won only by
greatest of effort, of valor, and of sacrifice.
his knowledge the United States and China,
ther with the other United Nations, can
t forward in confidence to ultimate and
plete victory over our common enemies and
chieving a peace that shall endure.

You come to us, Mr. Ambassador, with a
rd of many years of service and achieve-
t in your own country. In the perform-
of your important mission here you
depend upon my whole-hearted coopera-
and that of all other officials of this
ernment.

cordially welcome you to Washington."

nsed to the press October 6]

he remarks of the newly appointed Am-
ador of Greece, Mr. Cimon P. Diaman-
ulos, upon the occasion of the presentation
is letters of credence, follow:

PRESIDENT:

have the signal honor to present to you
letters of credence by which His Majesty
King of the Hellenes, my Sovereign, has

been graciously pleased to accredit me as his
first Ambassador Extraordinary and Plenipo-
tentiary to the President of the United States.

"In the present exceptional circumstances
the step taken by our two countries on the
initiative of the United States Government to
raise their respective diplomatic missions to
ambassadorial rank is of particular signifi-
cance. Assuredly it will be fully appreciated
by both nations as a gesture which draws
closer the bonds already existing between them
and will be hailed by the Greek nation as a
recognition by this great country of the heavy
sacrifices accepted by Greece and as an earnest
of your intention to help our nation in its
increasing struggle for liberation and to secure
the full restoration of its historic rights.

"The United States and Greece are inspired
by common traditions which spring from a
love for and devotion to freedom and equality.
From the dawn of history to the present day
Greece has been privileged to teach her citi-
zens, as does America, that liberty may come
to no one as a gift but is an inestimable treas-
ure and to preserve it a nation may have to
fight hard battles and endure heavy sacrifices.
The gallant Americans who are shedding their
blood in defense of country, honor, and flag in
so many parts of the world are, no less than
their Greek comrades in arms, animated by the
determination which is shared by all our allies
in their struggle against tyranny. Victory
will crown the arms of the United Nations; of
this there can be no doubt. The foresight with
which you, Mr. President, have led your great
people during the past years is the surest guar-
anty of our ultimate triumph.

"The special circumstances in which I am
today admitted into your presence in order to
deliver my letters of credence surely permit me
to dispense with the observance of the tradi-
tional custom of requesting the assistance of
your Government in the fulfilment of my mis-
sion. For the past three years this assistance
has been afforded me in the fullest measure.
The Greek people remember with gratitude
the exceptional courtesy and the generous hos-
pitality extended to my Sovereign by you, Mr.

President, as well as by the American nationals during his recent visit to the United States. The feelings of friendship shown on that occasion by the American people and by yourself and your sponsoring of the four freedoms lead us to hope that when the time comes and the enemy is vanquished you will devote your incomparable prestige and influence to the full reinstatement of the rights of the Greek nation. That nation, unjustly stricken but hopeful and undaunted, offers to you, Mr. President, its cordial wishes for the prosperity and greatness of the American nation and for your personal welfare. May I be allowed to add to these my own heart-felt wishes."

The President's reply to the remarks of Mr. Cimon P. Diamantopoulos follows:

"MR. AMBASSADOR:

"It gives me great pleasure to receive the letters by which His Majesty the King of the Hellenes has accredited you as first Ambassador Extraordinary and Plenipotentiary of Greece near the Government of the United States of America.

"The common traditions and ideals inspiring the Greek and American peoples have indeed given a unique stamp to the unbroken friendship which has always marked the relations between them. Less than two years ago the heroic stand of the entire Greek nation against the wanton aggression of ruthless and finally overwhelming Axis military forces profoundly stirred our imagination and our hearts. We admire the unrelenting resistance of the men, women, and children of Greece to the vicious invaders who are occupying their homeland and the undaunted determination of the men of the Greek merchant fleet, which is contributing in important measure to our common effort. We are proud that today men of our armed forces are fighting side by side with the courageous soldiers, sailors, and airmen of Greece in a struggle which can only result in the crushing of the evil forces which have been unleashed upon the world and the introduction of a new era of freedom, justice, and prosperity.

"It is therefore fitting that the United States and Greece should, as a mark of their united efforts against their common enemies, heretofore exchange diplomatic representatives with the rank of Ambassador. I am particularly pleased to greet in this new capacity a true friend who as Minister of Greece in Washington for almost three years has so ably conducted the relations between our two Governments. I am confident that the loyal and understanding collaboration which has heretofore existed between us and between Your Excellency and the officials of this Government will continue to be an ever-increasing measure.

"I can assure you, on my own behalf and on behalf of the people of the United States, that the cordial wishes which you express in the name of the Greek nation are most sincerely reciprocated and that we look forward to the day when the victory of the United Nations will bring the full liberation of Greece and the restoration of the freedom and independence of the Greek people.

"I shall be grateful, Mr. Ambassador, if you will convey to your Sovereign, whose courage has been an example to us all and whose wishes we so pleasantly remember, my best wishes for his personal happiness."

[Released to the press October 5]

The remarks of the newly appointed Ambassador of Yugoslavia, Mr. Constantin Fotitch, upon the occasion of the presentation of his letters of credence, follow:

"MR. PRESIDENT:

"It has long been the custom of nations whenever their relationship has grown in importance to grant ambassadorial status to their respective representatives. The fact that you, Mr. President, have chosen this tragic period in the history of Yugoslavia to grant ambassadorial rank to your representative to the Yugoslav Government has been accepted by our Government and people as an acknowledgment of the contribution which they have made in the common struggle against a cruel and ruthless foe.

"This thoughtful gesture, following as it does a long series of acts by the Government of the United States intended to bring aid and comfort to the people of Yugoslavia and a warm reception extended to my Sovereign by you and the American people during his visit to this great country, will echo deeply in the hearts of my countrymen wherever they are. It will give new courage to those brave men who under the indomitable leadership of General Draža Mihajlović wage a grim and relentless fight against the Axis powers; it will strengthen the hope of deliverance of those less fortunate ones who suffer oppression and hardships in the ruined towns and villages of what was once a prosperous and beautiful country. They will realize that the maintenance of their yielding spirit which no force or cunning of the Axis invaders has yet been able to break has been recognized by you, Mr. President, as an important contribution to the common cause of the United Nations. In the struggle for that cause they will never yield; they will fight it until the day of victory.

The King, my Sovereign, has graciously appointed me to be his first Ambassador Extraordinary and Plenipotentiary to the United States. For seven years I have had the privilege of representing my country here as Minister. During that time, in peace and in war, I have always believed that no power or combination of powers in the world can hope to triumph once the United States unsheathes its mighty sword in the cause of justice. Today, more than ever before, I am convinced of this. During that time I have also endeavored to interpret the thoughts and democratic aspirations of my people to the Government of the United States, and I have always found a complete understanding for my mission and the willing assistance in its performance. Today, in presenting to you, Mr. President, the credentials which accredit me to Your Excellency as Ambassador Extraordinary and Plenipotentiary of His Majesty King Peter II, I feel sure I can rely on the continuation of that spirit of friendliness and understanding which has always figured so largely in my relations with Mr. President, and with all the members

and officials of the Government of the United States."

The President's reply to the remarks of Mr. Constantin Fotitch follows:

"MR. AMBASSADOR:

"I receive with great pleasure the letters with which His Majesty Peter II, King of Yugoslavia, has accredited you as Ambassador Extraordinary and Plenipotentiary near the Government of the United States.

"It is only a short generation since the American people welcomed, with a very special friendship, the grouping of the Serbs, Croats, and Slovenes into a new kingdom, to take its place in the family of nations. A savage and ruthless war has interrupted the remarkable progress made by the Yugoslav people in the consolidation of their national life and has temporarily extinguished their institutions of free government. But the valor, persistence, and military resourcefulness of the Yugoslav people, responding to a courageous leadership, have shown that their destiny has not been thwarted.

"Their sacrifice and their continued striving to regain their independence are a part of the common struggle against the forces which would bring ruin to all free peoples. It is but a token of that association of our peoples that the representatives mutually accredited to the Governments of Yugoslavia and the United States are now vested with the highest diplomatic rank.

"In greeting you as the first Ambassador of Yugoslavia I look back over the seven years of your service here as your country's Minister, and am sure that you know the warmth of America's interest in the welfare of Yugoslavia, and am confident that you will carry on the sincere and whole-hearted collaboration which has always existed between our Governments.

"I ask you to convey to His Majesty, your Sovereign, whose recent visit to this country gave us all so much pleasure, my friendliest wishes for his welfare and my admiration of Yugoslavia's steadfastness toward the achievement of the final victory."

Cultural Relations

VISIT TO THE UNITED STATES OF SALVADORAN ENGINEER

Señor J. Federico Mejía, a leading engineer and Director of the National Commission of Electricity of El Salvador, arrived in the United States October 9 for a two months' tour of the country as a guest of the Department of State. His tour will include several hydro-electric developments, in which he is especially interested as his Government is planning to develop the power of the Lempra River. He will visit the Grand Coulee Dam, Boulder Dam, the California Hydro-electric Development, TVA projects, and also possibly the General Electric Corporation and the Westinghouse Electric and Manufacturing Company.

Legislation

An Act To amend the Act of May 19, 1926, entitled "An Act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin-American republics in military and naval matters" [to include, during wartime, other countries outside the Western Hemisphere if the President deems it to be in the public interest]. Approved October 1, 1942. [S. 2686.] Public Law 722, 77th Cong. 1 p.

Second Supplemental National Defense Appropriation Bill for 1943: Hearings before the subcommittee of the Committee on Appropriations, House of Representatives, 77th Cong., 2d sess. [Testimony of Laurence C. Frank, Executive Assistant to the Assistant Secretary of State, regarding appropriation on salaries of ambassadors and ministers, p. 173.] ii, 538 pp.

Treaty Information

MUTUAL ASSISTANCE

Protocol Regarding the Delivery of Military Equipment to the Soviet Union by the United States and Great Britain

An announcement of the signature of a protocol regarding the delivery of military equipment to the Soviet Union by the United States and Great Britain appears in this *Bulletin* under the heading "The War".

EXTRATERRITORIALITY

Relinquishment of Extraterritorial Rights in China

There appears in this *Bulletin* under the heading "The Far East" an announcement that the Chinese Government has been informed that the Government is prepared promptly to negotiate a treaty providing for the relinquishment of this country's extraterritorial rights in China and for the settlement of related questions.

The Foreign Service

CONFIRMATIONS

On October 8, 1942 the Senate confirmed the nomination of George Wadsworth, of New York, to act as Diplomatic Agent and Consul General of the United States of America near the Government of the Republic of Lebanon at Beirut, and near the Government of the Republic of Syria, at Damascus.

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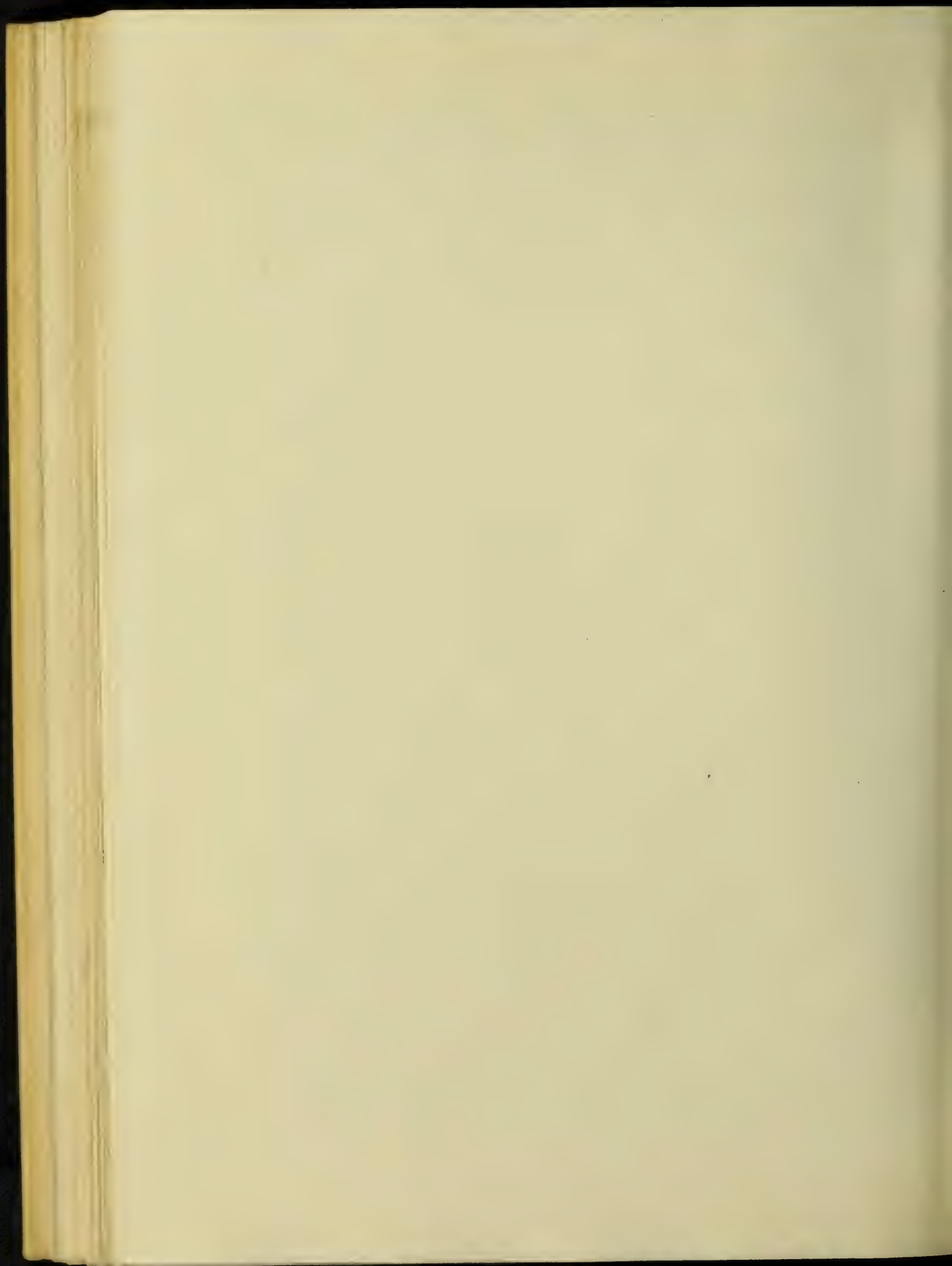
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he War

THE REALIST BASE OF AMERICAN FOREIGN POLICY

ADDRESS BY ASSISTANT SECRETARY BERLE¹

ased to the press October 15]

a war, as in peace, sound foreign policy
t be based on the solidest political and eco-
ic facts. Unless this is true, it is difficult
e victorious in war and impossible to or-
ize peace after victory. The salient points
well known; but they bear repeating.

he United States is productive, strong, and
pendent and proposes to stay so. She has
d that the best means of remaining pro-
ive, strong, and independent is to maintain
interested friendship with all other nations;
that this policy works best when all other
ons are themselves productive, independ-
nd as strong as their circumstances per-

We have no wish to acquire the territory
ominate the affairs of other nations, and no
e-loving nation need fear us. Equally, we
ose to handle our affairs so that we need
nobody.

very once in so often certain other nations
me possessed of a wild desire to conquer
uch of the globe as they can. The present
comes directly out of such a plan. The
-Japanese combination intended to do just

The United States and our neighbor na-
of the New World were a direct target in
wild scheme. We have had to join with
law-abiding nations to defend ourselves.
ropose to finish the job. The present policy
is Government is to make war—war to the

victorious end. New methods are needed, and
new factors must be considered.

As the world has grown smaller—and you
can go around the world today without great
difficulty in 10 days—schemes of conquest are
no longer certain to be checked by the Atlantic
and the Pacific Oceans. These oceans, now, can
be crossed quite easily. Today, an occasional
air raid probably would not seriously threaten
our existence. But tomorrow—that is another
story. No student of aviation fails to point out
that we are only beginning to learn what air
power can do. On the drafting boards of the
aviation designers there are already plans which
make present air warfare and air transport look
as obsolete as a sailing ship looks alongside an
ocean liner.

Both in this war and after it our foreign
policy must take account of that fact. It
changes our whole point of view. In the last
war, and in the present war, the German ex-
plosion of conquest was met by barriers: the
British and French land armies and the sea,
held by the British and American Navies.
These barriers borrowed time for us: time to
produce munitions, to organize armies and air
force, and to meet our better-prepared enemies
on even terms. But the future does not offer to
lend us time. It puts us in a permanent front
line. If you imagine two or three hundred
Pearl Harbors occurring all over the United
States, you will have a rough picture of what
the next war might look like—if we let a “next
war” start. This is a new factor, and we have

delivered at the fifth annual meeting of the Ala-
State Chamber of Commerce, Birmingham, Ala.,
er 15, 1942.

to take account of it also, and so use victory that a new war cannot start.

In our great international crises, certain nations habitually wind up on the same side as the United States.

First in our thinking are the unity and coherence of the American family of nations. This hemisphere, following a great ideal, has steadily drawn together in friendship at a time when other continents were breaking apart into groups of enemies. How strong and deep this habitual friendship can be is notably illustrated by the great part which Brazil is playing in the present conflict.

And, during a century and a quarter, though Britain has been a great maritime power, a great competitor, and our nearest overseas neighbor among the great powers, we have lived at peace with Britain and have twice been her ally. No dispute has arisen which could not be solved by reason and common sense. I think our relationship with Britain rests on something more solid than cousinly sentiment. Great Britain, in the last analysis, has found that a strong United States is a great buttress of a world in which Britain can live. We, on our side, have found that a strong and serene British Commonwealth of Nations is a great guaranty of the kind of world in which we want to live. Year after year we have come to work together in all essential matters. Neither of us fears the other; neither of us has sacrificed independence. We do not even forego our right to puff, grunt, complain about, and argue with each other. In all crises we necessarily and instinctively hang together, and both of us have been safer and better off on that account.

Another great power which has habitually joined with us is Russia, though few Americans have realized that fact until lately. When the country was young, the mere existence of Russia prevented Napoleon from becoming a world conqueror; and this fact made us safe. Later, and in the difficult days of our Civil War, Russia stood by the United States as a great counterweight against interference in this hemisphere by any European power. In the first World War, at the sacrifice of her own armies, Russia twice carried out a general military push which

enabled the Western nations to draw breath and equip themselves for final triumph. Today, the defense of unparalleled bravery, symbolized by the deathless name of Stalingrad, has probably proved the turning-point in the Nazi drive for world power.

Since the appearance of the Far East in Western affairs, we have had an historic friendship for China and she for us. The cornerstone of any American policy in the Far East must be close working-relations with the Chinese nation—a very great nation, devoted to a world of peace. The struggle carried on by Generalissimo Chiang Kai-shek and the Chinese people has made it possible for this country to meet the Japanese attack, timed to coincide with the Nazi attack; and China saved us in the East. Russia and Britain have saved us in the West.

You may say that these countries have only acted in their own interest and are defending themselves. That is true. We have done the same. The point is that their own interests and their own self-defense have regularly proved of vital importance to us in maintaining our national interest and our self-defense—not only but over and over again in our history.

Out of these relationships has now been forged the greatest union history has ever seen—the United Nations.

The greatest tribute to the strength of the United Nations recently has been the violent attempt of the Axis to break it up. You have heard Axis propaganda attempt to make Russia believe that Britain and the United States would let her down. At the same time German propaganda were spread that Russia would betray her allies. Meanwhile the poison squad was busily endeavoring to sow dissension between Britain and the United States. Most of this propaganda has missed its mark; its real importance is to show the Nazi fear of these great, friendly nations when they unite.

They have united, in their common interest to an amazing degree. I want to trace some of the outlines of their united effort.

Modern war is a continuous process. It involves organizing and maintaining a continuous belt line from the farms and the munition factories to the fighting fronts. All of this hu-

t line has to work all the time and work in r. If any part of it breaks down, all the ating fronts are endangered.

For that reason the United Nations have already forged a huge international economic system. That system exists now and is working. The war runs through all the continents and includes fronts in the Arctic Aleutians and the Indian tropics. It ranges from the Solomon Islands to the Russian steppes and is fought in the Egyptian desert and in the Channel ports. The supply has to flow to all these fronts you see that the economics of war are international by their very nature.

It has been necessary to organize production on an international basis so that supplies, civilian and military, may be planned ahead, created for tomorrow, and may be gathered for today. No one country could possibly achieve this. There are, accordingly, combined boards which plan the utilization of raw-materials resources of the United Nations. Such a board is working in Washington and a counterpart exists in London.

Raw materials are useful only as they produce supplies and munitions. Last June there was created a Combined Production and Resources Board, which shall "take account of the resources available to the United States, the British Commonwealth of Nations, and the United Nations".

There is a Combined Food Board to work in cooperation toward the best utilization of food resources and to formulate plans for the development, expansion, and purchase of necessary food.

For supplies must reach the place where they are needed, there is a Combined Shipping Board, which, in essence, pools the shipping resources of allied maritime powers.

When it comes to arms, the language of the moment is worth repeating: "The entire resources of Great Britain and the United States will be deemed to be in a common pool." Out of this pool all the United Nations must draw their war supplies, save the United States, who has supplies of her own but needs reinforcement from the pool that ships can

carry and ports receive. The Munitions Assignment Board has the huge task of allocating the weapons of war to the fighting fronts.

Were it not for this vast machinery, the war would probably have been over long ago. Were it not that this machinery is truly international, the free fighting nations would have been weakened one by one to the point of defeat and hammered into submission for lack of munitions or starved into impotence for lack of supply.

This is the "commerce" of wartime: a commerce such as the world has never seen. This commerce matches armor against danger; maintains distribution and supply behind the lines. This commerce says, in a word, that the combined resources of all the free nations shall be devoted to the common defense and shall be laid on the line when and where they are needed.

During the period of war this is the machinery that must support the economic life of all the United Nations, including ourselves. Sometimes we have been criticized because the huge machine did not get into action more rapidly. Much of this criticism is sound and useful. But it must be remembered that all this huge design of wartime life has been built within a period of nine months. It will increase in effectiveness until the war is over.

When victory comes—as come it will—this vast machinery will be the way by which the civilian population of most of the world gets its supplies. The organization will be there and standing; it will have under its direct charge the resources of most of the world.

I ask you to remember this, because we shall have the problem, when peace is won, of keeping and holding that peace through an extremely difficult period. You cannot expect order in a hungry world—and the world will be very hungry indeed. The machinery which has been built up to supply us during wartime will have to be used, in large measure, to keep us supplied until the commerce of peace can be reestablished. There will be no other way. Until new arrangements can be made to reopen the flow of trade and commerce, to start production out, to repair the wrecked plants, and replace the broken machines, we shall have to rely for a

time on the war supplies while we are working to reestablish the business of peace.

The technique of that period of transition must be planned and thought out soon, for this time we cannot risk the breaking of all ranks which took place in 1918 when Germany collapsed. Then the Allied machinery stopped at once; Europe and, to some extent, America were shaken in the convulsion of a great economic crisis. In the ensuing confusion the victory of World War I was literally frittered away.

In that transition period it will be necessary by a combined effort to make arrangements—and make them quickly—so that nations generally can use their resources and their manpower to satisfy their people's needs.

Since no country wants to be on either the giving or receiving end of an international breadline, this means economic arrangements which permit nations to get into production as rapidly as possible and put their resources to work. They literally must increase their resources by trade and commerce, for no other peaceful way has yet been devised.

For that reason the trade routes and markets of the world have to be reopened. The endless barriers, restrictions, and hurdles by which trade has been slowly strangled in the last 20 years will have to be removed. This rule goes for everyone, including America. No country can expect to cut itself off from general commerce without harming its neighbors a great deal and itself most of all.

To do this, however, we must squarely face one fact and arrange to meet it. Open trade and life-giving commerce cannot exist unless you have a financial system so arranged that the goods can move—and do—and so handled that business can be done—and is.

For the transition period at least, financial arrangements must therefore be worked out so that our neighbors in this world community can set up in business again. It will be essential for them; it will be sound commerce for us.

Perhaps an illustration close to home may be useful. At the close of our Civil War the South was exhausted and her economic life was

broken. The capital and credit of the country were concentrated in the North. Endeavors were made at that time by some enlightened citizens to try to put some of this northern capital and credit to work in the Southern States. But most of the northern bankers at that time did not have the vision or the courage to do the job, and there was no central banking system able to move in. Instead, the money and credit which could and should have rebuilt the ruined areas went into the fantastic speculations of Goulds, the Jim Fiskes, and the Daniel Drayton Howells, and caused the wild scandals of the New York Stock Exchange.

Reestablishment of the South was unnecessarily delayed for an entire generation. The rest of the country escaped; it had not suffered the hardships of the long panic which began in 1873. It took the country 30 years to recover from that mistake.

I do not see that the task is impossible. We have the resources. If it is desired to use them as a financial base, as many people do, we have at our command by far the greatest share of the world's gold. What is more important, we have the production and the goods available to back up our finance. We shall be in a position to make and deliver almost anything which is required to give to our neighbor countries a start in international economic life. At any time this is most needed we shall be able to keep our plants busy, our people employed to provide jobs for the returning soldiers. With ordinary intelligence we should be able to face the general situation, to everyone's advantage.

A good many years ago we discovered that the trade and commerce of this country could be paralyzed by a system of banking and finance which was not sufficiently elastic. It took two panics to teach us that lesson: the panic of 1903, and the panic of 1907. In those panics we saw trade within this country drop to nothing, though the goods were there; we saw men out of work, though the work was there to be done; we saw banks fail, though the assets were there; we saw hardship in the midst of obvious plenty. Then we finally learned

son and passed the Federal Reserve Act of 1914.

The existence of that act and the creation of the parallel agency of the Reconstruction Finance Corporation made it possible to end the depression of 1929 just as soon as a government was chosen which had the will and the power to do it.

Somewhat the same problem exists in the international field. Perhaps it is not amiss to suggest that business and financial men begin to do some thinking as to how the methods which have proved successful within the United States may be applied so that the trade and commerce which are necessary for the health of the peace of the world may be reestablished and kept going.

Because of this a good many observers, both political bankers and students, have been advancing the idea that we could profitably extend some of the principles of reserve banking to the international field. Certainly, experience suggests that this is a logical line of development. After World War I the various financial systems of the victorious powers endeavored to go it alone, fighting each other at times, cooperating at times, in much the same way that governments made shifting alliances and had shifting antagonisms. The United States particularly endeavored to do this, and the fiasco of American foreign finance is an unpleasant memory, unhappily kept alive by the memory of defaulted bonds and unsuccessful international schemes. Had that same capital and energy been used with intelligence and care and in cooperation with other countries, there is great reason to believe that the results would have been better for us; and that the economies of the world would have been more productive; most important of all, that there would have been more employment, better wages, and a higher standard of living for workers and producers.

In this time we shall have to do it better. For the purposes of common defense we have erected an economic machine for war supply capable of supplying the entire world. In the light of

this experience it should not be too difficult to create institutions capable of handling the finance of transition and turning the processes of reconstruction into permanent processes of international trade.

I have stressed the possibility of creating a system of international finance because that is likely to be the first problem which arises. It is not the only problem and not at all the most dramatic and most appealing. It is one step which we can consider seriously because we already know the technique. If we solve that question we shall have a tool in our hands with which we may be able to attack other and still greater problems.

At the beginning of this essay we noted that the foreign policy of the United States was based on the strength and independence of this country—but also on the disinterested and cooperative friendship with other nations. We found that certain groups of countries in all major crises have tended to draw together, linked by common interest. We have found that this was true in political crises, as it is today in the great and bitter experience of war.

Let it never be said that cooperation is the child only of war. The first World War taught us that military victory depended on united action. The last two decades have shown us that united action is no less essential if victory is to mean peace. The second World War has given us a vision of limitless economic power achieved by cooperation. We must not again lightly throw away that power in the moment of triumph, when arms are grounded and we embark on the task of healing the world.

PROCLAIMED LIST: SUPPLEMENT 3 TO REVISION III

[Released to the press October 11]

The Acting Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and

the Acting Coordinator of Inter-American Affairs, on October 11 issued Supplement 3 to Revision III of the Proclaimed List of Certain Blocked Nationals, promulgated August 10, 1942.¹

Part I of this supplement contains 198 additional listings in the other American republics and 13 deletions. Part II contains 91 additional listings outside the American republics and 11 deletions.

General

COLUMBUS DAY ADDRESS BY ASSISTANT SECRETARY BERLE²

[Released to the press October 12]

I am glad to greet you as a group of Americans, devoted to the American ideal. You are of Italian descent. You carry in your ideals the best of Italian tradition.

You need not be ashamed of your Italian traditions in spite of the fact that Italy has today been betrayed by her shoddy crew of Fascist rulers. Mussolini is not a big enough man to put out the light of Dante. The memory of brave men like Mateotti will live when the Cianos and Grazianis have been dishonorably discharged by history.

For centuries the Italian people steadily fought the brutal tyranny which came from beyond the Alps. German and Austrian powers sent mercenary armies to lay waste the fairest Italian provinces. They sent gauleiters to oppress the people. They kept Italy divided.

By a great effort in the last century the Italian people threw out the German invaders and the puppet governments, the Quislings of that day. They made Italy a free nation.

¹ 7 *Federal Register* 8165.

² Delivered at the celebration of the four hundred and fiftieth anniversary of the discovery of America by Christopher Columbus, at the Metropolitan Opera House, New York, N. Y., October 12, 1942, and broadcast over the Mutual Network.

It is that tradition which Americans of Italian ancestry carry in their hearts and minds.

Twenty years ago a gang of adventurers seized power in Italy. They tried steadily to extinguish the flame of freedom which burns in the hearts of all true Italians. They tried to make Italy forget both the great heritage of Leonardo da Vinci and the great achievement of Mazzini. Through cowardice this Fascist crew struck hands with the Nazi criminals and welcomed them as allies. Through treachery they invited the Gestapo into every Italian home and made Italy a hunting ground for spies. Through fear they called the Germans once more over the Alps; they gave away liberties won for them by Cavour and Garibaldi. Two years ago Mussolini and his contemptible associates handed over the Government of Italy to the Nazi police and the German troops and made themselves a puppet government of German Quislings. This was a crime against Italy and against history.

I am convinced that the Italian people, as always, do not support this terrible treachery which has made them slaves. They await the opportunity to settle accounts with traitors who have sold them back into foreign slavery.

citizens of the Americas of Italian ancestry are known how to condemn the Fascist betrayers who strut a Quisling part in Rome—i marionettes whose strings are pulled by Hitler. Citizens of the Americas of Italian extraction will know how to greet an Italian Italy which reconquers its freedom.

American workers of Italian ancestry, both men and women, are hard at work in the plants which make arms for the United Nations. Americans of Italian ancestry by thousands and thousands are in uniform, in the training camps, on ships guarding sea lanes, on the fight-fronts, and in the war planes. These men are working and fighting to free the world from the force and brutality which has already subdued Italy as it has submerged and enslaved many other countries. In the truest sense these men are fighting with their fellows to make possible again a free Italy.

The Nazi plan, in blunt fact, contemplated the death of a great part of Italians and, in the case of virtually every Italian soldier. It is an open secret that when Hitler's Russian campaign failed last year he demanded that Mussolini send a million Italian soldiers to the Italian front. He actually obtained only a part of these; but the Italian troops were used wherever possible in the sectors where they would be most effective, clearing the way for the advance of the German divisions. Arrangements were so made that the German divisions, organized as Hitler wished, should remain intact to occupy and to rule Europe; and to Hitler it was entirely satisfactory if Italian and Hungarian troops did not come back at all. It is no part of the Nazi plan to leave intact the youth of any country to its own. Even in the fighting in Libya the Italian troops were so handled that German troops were at all times taken care of, while the Italian troops, in case of shortage, were left to shift for themselves.

Only recently the Nazi authorities announced that they had organized Europe so that Germans would be fed while everyone else starved; and for once they said what they meant. Italy is included in the starvation program; her food and resources are being seized and sent to Germany—and little indeed comes back across the Alps.

Those of you, Americans, who hold dear the splendors which come down to us through Italian poetry, Italian music, and Italian art do well to recognize that victory of the United Nations alone can save Italian homes, the Italian countryside, Italian science, Italian art, and the Italian soul. This has been the attitude of Americans of Italian descent and of Italians resident in America and aiming to become Americans, from the very beginning.

You remember the efforts that were made by a handful of agents sent out by the Axis to stir up race feeling in the United States and in South America. I am glad to record that Americans of Italian ancestry were prompt to reject the evil suggestions then made that they should become traitors to the lands of their adoption. The sound common sense of the Italian-American community branded these people as spies of a foreign regime. A few, perhaps, became the dupes or victims of these Axis propagandists. Fortunately, the public opinion of the Americans of Italian extraction has dealt and is dealing with these few as they deserve. I have absolute confidence that Americans of Italian ancestry will be the first to deal drastically with any Nazi agent, including those who have Italian names and betray their countrymen and their traditions.

We are fighting a war of peoples. We are building an army of peoples. We are throwing into the cause of human liberty the efforts of peoples the world over. As fellow workers, I salute you.

American Republics

EXCHANGE OF MESSAGES BETWEEN PRESIDENT RÍOS OF CHILE AND PRESIDENT ROOSEVELT

[Released to the press October 15]

A translation of the text of a message from the President of Chile to the President of the United States follows:

"OCTOBER 11, 1942.

"I profoundly appreciate the friendly and understanding statements which Your Excellency has been so good to formulate to Ambassador Michels concerning the cordial spirits in which you will receive the visit of the President of Chile whose sincere American feeling, disposition and that of his Government Your Excellency so kindly recognized; but I find myself in the regrettable necessity of stating to Your Excellency that the last official information released in the United States concerning the international position of my country which has created an unfavourable atmosphere, counsels me to postpone, for the present, the honor of visiting Your Excellency.

"Your Excellency can be sure that this in no way alters the decided intention of my Government to continue cooperating with the United States and the other sister nations of America in the defense of the continent.

"I renew to Your Excellency the expression of my sincere gratitude for your honored invitation and seeing myself forced to defer my voyage for cause so foreign to my desire, reiterate to Your Excellency the homage of my admiration and respect.

JUAN ANTONIO Ríos"

The text of the President's reply to the President of Chile follows:

"OCTOBER 14, 1942.

"I wish to acknowledge Your Excellency's message stating that you have decided to post-

pone, for the present, your visit to the United States.

"I am sorry to learn of Your Excellency's decision and I want you to know also of my deep personal regret in not having the opportunity of meeting and knowing you personally.

"I was looking forward to exchanging views with you regarding the implementation of the desire of Chile, mentioned in your message, to cooperate with the United States and the other American Republics in the defense of the Western Hemisphere.

"I have always felt that it is extremely difficult for heads of nations to discuss pending difficult questions only by letter or telegram and that almost all problems can be solved by personal meetings and by what we in the United States call 'sitting around the table as personal friends'.

"That is why I very much hope that you will come to Washington a little later and that I may consider your visit is merely postponed for a short time.

"As you probably know, I had planned to visit Santiago in the autumn of 1939 but after World War broke out, and especially since the United States became a party to that war, I have been unable to leave Washington.

"May I renew [etc.]

FRANKLIN D. ROOSEVELT

RUBBER AGREEMENT WITH VENEZUELA

[Released to the press October 16]

The Department of State, the Rubber Reserve Company, and the Board of Economic Warfare announced on October 16 that an agree-

has been entered into with the Republic of Venezuela under the terms of which the Rubber Reserve Company will purchase all rubber produced in Venezuela which is not required for domestic use. The agreement is renewable from year to year until December 31, 1946.

The Far East

EXTRATERRITORIALITY IN CHINA

[Sent to the press October 18]

The following telegram has been received by the President from Generalissimo Chiang Kai-shek:

On the occasion of the thirty-first anniversary of the Republic of China the entire nation rejoiced that the United States has made an important move to relinquish extraterritorial rights in China.¹ Furthermore, the ringing of Liberty Bell in Independence Hall to commemorate China's Liberty Day finds resound-echoes in every Chinese heart of good will and friendship for America. These tributes do more to uphold the morale of our people and continuing resistance than anything else possibly do. I personally am so deeply moved by this beautiful and touching gesture that I cannot find words adequate to express my feelings. As a boy the very words Liberty and Independence Hall fired my imagination and made a profound and lasting impression on my mind. Throughout my struggle for national freedom for China I have consistently dreamed of the day when she would reach the full stature of an independent and democratic nation. Today this ideal has been realized. From the bottom of my heart, I thank you for your superb and inspired leadership and moral courage in assisting China to gain equality among the United Nations. I assure

¹ETIN of October 10, 1942, pp. 805, 808.

you that China shall not fail you in our joint task of securing freedom for all mankind."

The following telegram has been transmitted to Generalissimo Chiang Kai-shek by the President of the United States:

"OCTOBER 16, 1942.

"I deeply appreciate your warm and generous message regarding the step which the Government of the United States has taken in reference to extraterritoriality. That step is one which this Government and I personally have long wished to take, and it is especially gratifying that it could be synchronized with so auspicious a day as China's national anniversary when your country celebrates the founding of the Republic and honors the principles of freedom. We greatly admire the telling blows for freedom which China has struck against the aggressor in Asia, and we are wholly confident that our two countries in association with our other comrades-in-arms will move forward together to complete victory.

FRANKLIN D ROOSEVELT"

International Conferences, Commissions, Etc.

ELEVENTH PAN AMERICAN SANITARY CONFERENCE

The Eleventh Pan American Sanitary Conference, which was held at Rio de Janeiro from September 7 to 18, 1942 at the invitation of the Brazilian Government, was considered one of the most successful in this long series of important inter-American meetings. The Conference emphasized problems connected with the war situation and especially those related to continental defense.

Seventy-eight official delegates were present and all the 21 American republics were repre-

sented. A group of officials of the Pan American Sanitary Bureau, headed by Dr. Hugh S. Cumming, Director of the Bureau and former Surgeon General of the United States Public Health Service, also attended. The Bureau is the permanent central organization of these Pan American Sanitary Conferences. Certain individuals affiliated with the Rockefeller Foundation, the Office of the Coordinator of Inter-American Affairs, and the Office of Vital Statistics, Bureau of the Census, were also present in their private capacities.

The United States delegation was as follows:

Surgeon General Thomas Parran, Public Health Service; *chairman of the delegation*

Dr. E. L. Bishop,¹ Director of Health, Tennessee Valley Authority

Surgeon Gilbert L. Dunahoo, Public Health Service, Chief of the Quarantine Office at the Port of Miami, Miami, Fla.

Dr. George C. Dunham, Director, Health and Sanitation Division, Office of the Coordinator of Inter-American Affairs; Brig. Gen., Medical Corps, United States Army

Surgeon W. H. Sebrell, Jr., Public Health Service
Capt. Charles S. Stephenson, Medical Corps, U.S.N.,
Bureau of Medicine and Surgery, United States Navy

Dr. Abel Wolman, School of Public Health, Johns Hopkins University, Baltimore, Md.

Philip P. Williams, Third Secretary, American Embassy, Rio de Janeiro, Brazil; *secretary of the delegation*

The most important action taken by the Conference was the approval of resolution I concerning continental defense and public health. This resolution provides for surveys to conserve and develop resources of medical supplies, to ascertain the geographic distribution of communicable diseases, to collect current health and epidemiological data, to inventory available stocks of supplies essential to the maintenance of health in order to assure their equitable domestic utilization and to make all surpluses available for continental defense, and to ascertain the medical and sanitary requirements in order to determine the essential needs which must be met from external sources. The Pan American Sanitary Bureau is charged with the

¹ Did not attend.

responsibility of appointing a Committee of Experts, which will be available to consult with each country in order to assist in organizing these surveys. The resolution further provides that in the event of an actual or threatened epidemic in any country other countries upon request will furnish under the auspices of the Pan American Sanitary Bureau such assistance as may be possible; and, finally, the responsible governments are urged to adopt extraordinary and precise methods to prevent the spread of diseases through insect vectors and common carriers, utilizing the fullest cooperation between civil and military health authorities.

The Conference also took action to further the protection of public health on this continent in the interest of defense by adopting resolutions dealing with military medical services, sanitary engineering, nutrition, milk, clothing, standard national sanitary codes, the American Highway, vital statistics, malaria, yellow fever, plague, exanthematic typhus, fever, precautions against Chagas disease, influenza, tuberculosis, leprosy, and diarrheal enteritis.

The Conference reelected Dr. Hugh S. Cumming as director of the Pan American Sanitary Bureau and decided that its next meeting should be held at Caracas, Venezuela, in 1946.

Cultural Relations

VISIT TO THE UNITED STATES OF PERUVIAN ARTIST

[Released to the press October 12]

José Sabogal, one of the most notable artists of South America and Director of the National School of Fine Arts at Lima, Peru, will arrive in Washington October 13, and, at the invitation of the Department of State, will make a brief tour of art centers in the United States. His visit will include New York, Boston, Chicago, and San Francisco, and also Holly-

Treaty Information

STRATEGIC MATERIALS

Rubber Agreement With Venezuela

announcement regarding the signing of rubber agreement between the United States and Venezuela appears in this BULLETIN under the heading "American Republics".

AGRICULTURE

Protocol Extending the Duration of the International Agreement Regarding the Regulation of Production and Marketing of Sugar of May 6, 1937

Brazil; Portugal

The American Ambassador at London transmitted to the Secretary of State with a despatch of September 11, 1942 certified copies of the protocol signed at London on July 22, 1942 extending the duration of the international agreement regarding the regulation of production and marketing of sugar, signed May 6, 1937. The protocol dated July 22, 1942 remained open for signature until August 31, 1942, and in addition the original signatories was subsequently joined by representatives of the Governments of Brazil and Portugal.

Countries which have signed the protocol continuing the agreement of May 6, 1937 in force for two years from August 31, 1942 are the United States of America, Australia, Belgium, Canada, Commonwealth of the Philippines, Czechoslovakia, Dominican Republic, Netherlands, Peru, Portugal, Union of

South Africa, Union of Soviet Socialist Republics, and United Kingdom.

The text of the protocol is printed in the BULLETIN of August 1, 1942, page 678.

Legislation

An Act To amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad. [H. R. 7152.] Approved October 9, 1942. Public Law 736, 77th Cong. 1 p.

Discharging more effectively the obligations of the United States under certain treaties by providing for domestic control of the production and distribution of the opium poppy and its products. (H. Rept. 2528, 77th Cong., on H. R. 7568.) 6 pp.

Publications

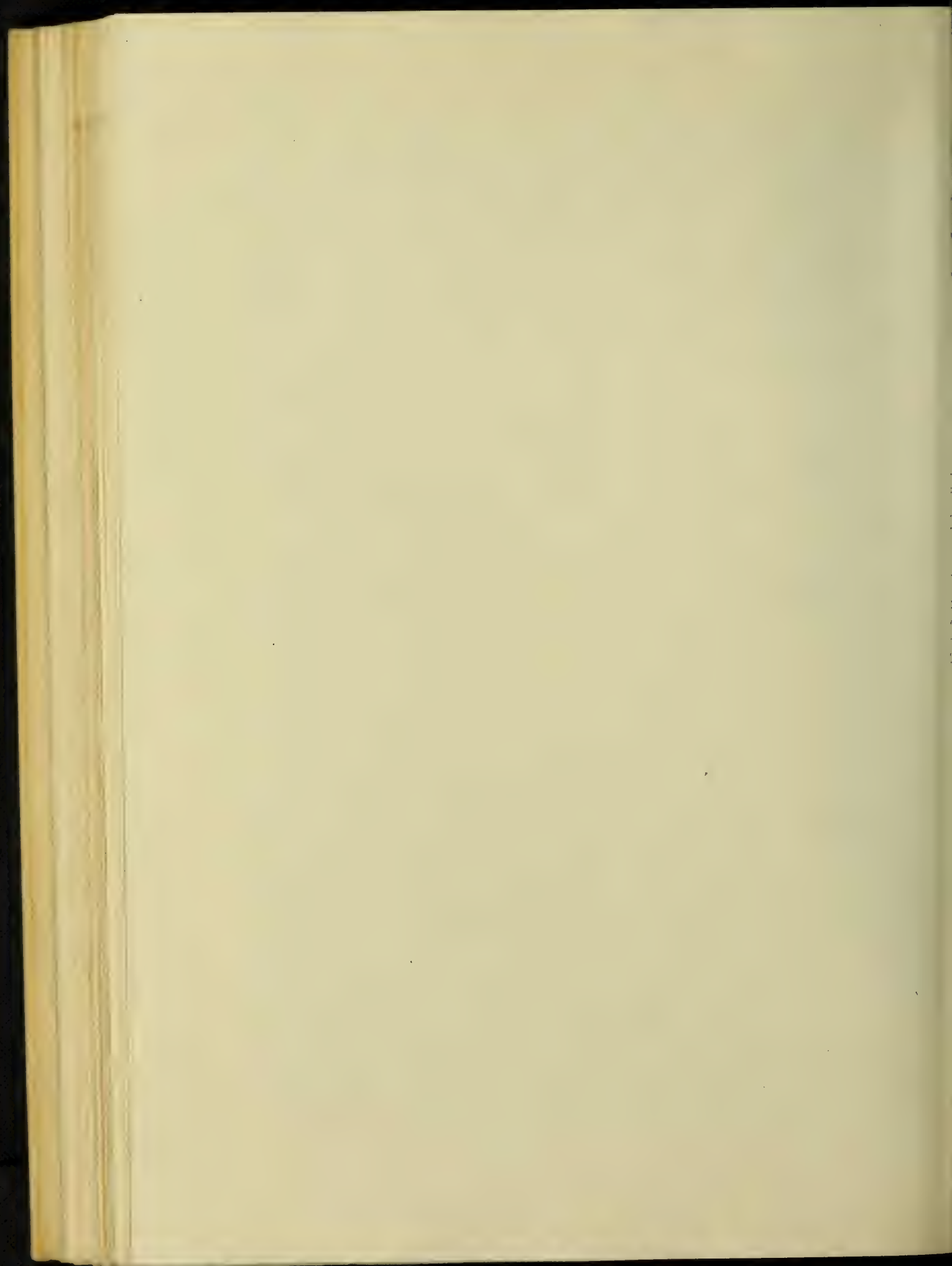
DEPARTMENT OF STATE

Military Mission: Agreement Between the United States of America and Colombia—Signed May 29, 1942; effective May 29, 1942. Executive Agreement Series 250. Publication 1807. 12 pp. 5¢.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Belgium—Signed at Washington June 16, 1942; effective June 16, 1942. Executive Agreement Series 254. Publication 1809. 3 pp. 5¢.

The Proclaimed List of Certain Blocked Nationals, Supplement 3, October 10, 1942, to Revision III of August 10, 1942. Publication 1816. 17 pp. Free.

Diplomatic List, October 1942. Publication 1818. ii, 101 pp. Subscription, \$1 a year; single copy, 10¢.



THE DEPARTMENT OF STATE
BULLETIN

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OCTOBER 24, 1942

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1871

The War

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN TO THE WAR FINANCE CONFERENCE ¹

Read to the press October 20]

appearing before you this evening, I would like to talk to you about our Japanese enemy—particularly about the activities of that enemy in the field of finance.

Japan is fighting counter to her own welfare and prosperity. We Americans may say, without vainglory but with profound conviction, that no nation in the modern world can take a greater risk than the risk involved in fighting. It is up to us to show the Japanese leaders—we shall show them—that war with us is the greatest folly, among many follies, that they have committed. I am speaking, however, not of the hazards Japan faces, now that her Government has sought this war, but of the succession of mistakes which the Japanese leaders have made in leading their country into war.

Let us go back a little. Diplomacy is often misunderstood in the minds of the public with the thought of appeasement. "Appeasement" is a word—mostly misused—term which gives rise to many misconceptions, especially as it conjures up the picture of Munich and what happened there and afterward. For several years during the middle and late thirties our Government endeavored to avoid antagonizing Japan, notwithstanding the fact that Japan had done a great deal to antagonize us. We do not believe, however, that we did not want war, we thought wars could be avoided, and at that time we were not respectably prepared for war. Economic measures in the form of embargoes and other such steps are a form of warfare and they

definitely constitute threats. Now, one of the most fatal errors that can be made in diplomacy is to threaten when one is not in a position to back up one's threats, if need be, by force. To threaten and then to have to back down is fatal to a nation's influence. Action in accordance with this, whether it is labeled "appeasement" or any other term, is plain common sense. The President, in a published statement last July, made clear certain important aspects of that problem. During my years in Japan I constantly took the position that the application of economic pressure against Japan would inevitably start our relations on a downward course, which might end in war, and that under no circumstances should we embark on such a course unless or until we were prepared to face eventual war. The time finally came when I felt it no longer desirable to follow a negative policy, and at that time I took the position that the question then at issue was not whether we must call a halt to Japan's plans of expansion but when, for the threat to American vital interests if that expansion should continue was of the gravest nature. Up until then oil and scrap iron and other commodities had been flowing freely from our country to Japan, but at approximately that time our imposition of embargoes began; and that again seemed to me to be plain common sense, and in my opinion it was with clear manifestation of plain common sense and wisdom that our Government handled the then developing situation.

The term "appeasement" is, as I said a moment ago, open to misconceptions. I prefer the

Delivered by the Honorable Joseph G. Grew in New York, October 19, 1942.

term "constructive conciliation", and during all the 10 years of my mission to Japan I endeavored to follow a policy of constructive conciliation. That term connotes building, and no one is going to be foolish enough to try to build anything, if he wishes it to be of a permanent character, unless a solid foundation on which to build has first been laid. I constantly tried to lay such a foundation. At times and under certain Japanese governments I was optimistic of success. But these favorable periods proved to be but temporary, and in every case such governments failed and were succeeded by cabinets in tune with the military extremists. All during the summer of 1941 we were doing our very best to lay a solid foundation which would support and insure a structure of friendly relations with the Japanese Government. I constantly pointed out to the Japanese—and our Secretary of State, Mr. Hull, was doing the same—that they had everything to gain and nothing to lose by concluding a reasonable agreement with us and that such an agreement would bring in its wake a return to a free flow of trade and commerce, financial cooperation, and free access to the raw materials of east Asia on a basis of equal opportunity, which would inevitably result in mutual advantage to our two countries, a rising standard of living in Japan, and assurance of future prosperity. These arguments fell on deaf ears. It was found utterly impossible to lay any solid foundation, and those who wanted and who worked to do that were rapidly overwhelmed by the military extremists and pro-Axis elements in the country. Thus the effort to reach an agreement and to preserve peace failed and war ensued.

Please let me add that I had long known of Japan's preparations for war, and I kept our Government currently advised of the information which came to the knowledge of my Embassy on that subject.

During all this time our Government would not and did not connive at or give any assent to the aggressions which Japan had committed and was committing. But the United States was prepared to meet every evidence of a Japanese return to good-will by the substantial evi-

dence of good-will on our part. We were Japan's most powerful neighbor, and we wanted to be a good neighbor to Japan if Japan herself would be a good neighbor to us, to China and to the other countries in the Pacific.

We were prepared to offer the Japanese everything for which her leaders professed to be fighting. We offered them sound trade on terms advantageous to both countries. We offered them the powerful financial cooperation of the United States toward putting their fiscal house in order. All that we asked was that Japan abandon her militarist aggressions, cease being a bad neighbor in east Asia, and enjoy with us the prosperity that we and they could have found in common. We did not, do not and never shall assent to Japan's assuming the hegemony of the Far East as a robber and aggressor.

The Japanese rejected assurance of the prosperity, the security, and the welfare for which they say that they are fighting. They attacked us. They added us to the list of those whom they seek to conquer and to despoil. They attacked us because they did not want the prosperity of honest industry, fair trade, and sound finance. They did not want cooperation and peaceful international relations. The Japanese militarists wanted what their German allies miscall *Lebensraum*. Strange, is it not, that despite their already far-flung occupied territories and their intensive efforts to propagate a maximum increase in population, especially male population, the Japanese constantly harped on the theme that territorial expansion is necessary for their allegedly congested homeland? They say that they want a so-called "Greater East Asia Co-Prosperity Sphere" including the South Seas. We have seen—the people of Korea and Formosa, of Manchuria and of other parts of occupied China have seen with the bitter realism of experience, just the people of Hong Kong and the Philippines, Indochina, Thailand, the Malay States, Singapore, the Dutch East Indies, and many islands of the South Seas, are witnessing today—that that euphemism "Co-Prosperity Sphere" really stands for. The Japanese love slogans; o

at almost say that they govern by slogans. The "Holy War" in China is one such slogan. "Prosperity" means quite simply, and reduced to its elemental connotation, economic, social, military, political, absolute hegemony, and all that can be comprised and defined by a single ugly word: slavery.

This *Lebensraum* of the aggressor nations has nothing to do with room in which to live. It means, in fact, room for brutal conquest and merciless exploitation. The militarists who had come to power were not interested in the welfare of the Japanese people. They were interested only in their dreams of aggression. They cared little about exporting goods or restoring an international economic balance. They wanted to hoard the strategic materials of war and to achieve the unwholesome prosperity attending armament.

Japan militarized herself more and more, and had no surpluses to export. Domestic production was cut to the bone. The conditions for a fair and reciprocally beneficial exchange of goods were no longer there. Japan exported subversive agents and spies and soldiers; Japan could export her invading armies; but Japan could not export these and at the same time have the goods with which to trade on a fair basis.

Once the alleged necessity for *Lebensraum*, in the social spheres, and for the whole structure of barbarian economics. The Japanese militarists turned from one kind of economic system—the honest kind, based on a real exchange of goods in which we and they had lived and dealt for more than 80 years—to another kind of economic system, devised and developed by their partners in Europe. This other kind is mentally dishonest, since it requires that conquering power import without exporting. The economics of totalitarianism is wholesale robbery. Since Japan has invaded China the Chinese can no longer deal with the Japanese on equitable terms. Therefore the Japanese go into China and take and take and take from the Chinese without giving them anything in exchange.

Even the Japanese militarists could not continue indefinitely a program of outright larcenies and burglaries. The robbery is reduced to a system. They have made that system resemble finance. Like our finance, it deals with money. Like ours, it uses the familiar terms of cash, credit, loans, stock companies, government subsidies, tariffs, taxes, and so on. Like ours, it tries to fit the habits by which all modern men think and work. There the resemblance ceases.

Our financial system supports a means of production designed to benefit both producers and consumers. Our public finance is intended to pay for government, to pay for the enlargement and maintenance of freedom, and to correct inequities in our economic life. Our international finance is a method of recording and facilitating the actual exchange of real goods and real services. We do not conceive of trade as flowing only one way. For many years the reciprocal-trade-agreements policy of the United States has been a complete antithesis to the economics for which Japan and Germany now stand.

The Japanese people were not twisted from the one economic system to the other in a single night. The change was accomplished within Japan by the rising tide of military fanaticism. The Japanese people have strong traces of zealotry and fanaticism in their individual and their national thinking, but they did not yield to their present totalitarianism without reluctance. They were seduced by their rulers, particularly the military chauvinists, over a period of many years. It is terrible to consider the corruption of a people by its own leaders, its own government.

The Japanese leaders had to change the mind of the nation from the practical, simple terms of economics and welfare to the terms of a mythology of war. The Japanese fight because of ancient dreams and traditional ambitions which they are unable to shake off. They are not bad financiers engaging incidentally in a war; they are military fanatics to whom the power and the glory of conquest appeals far more than the accumulating economic values and the general welfare of peace.

In 1930 Japan was still a constitutional empire operating on the basis of accepted economic standards and setting a pace for progress which was almost unmatched elsewhere in the world. A succession of civilian governments had promised Japan peace. The naval treaties had assured Japan permanent defensive security in the Pacific and had made it possible for her people to avoid the ruinous expense of a naval race with us and with Great Britain.

The turning-point in 1931, precipitated by the attack of the Japanese Army on Manchuria, ushered in a campaign which was directed as much against the Japanese people as against the rest of the world. Relying on a fabricated and falsified incident, the Imperial Japanese Army conquered Manchuria without consulting the electorate or the Parliament or the Cabinet or the Foreign Office. This action jeopardized the international position of Japan. As Japanese traditionalists, even the strongest industrialists and financiers were powerless to restrict the growth and the operations of the Army. Army budgets continued to rise; Army power grew.

The Japanese invasion of Manchuria 11 years ago, which Tokyo officialdom explained to the world as an economic and strategic necessity, at once led to an alienation of Japan's best customers, China and America, and to a subversion of the domestic business system of Japan.

That this invasion was not economic in its objective is shown by the fact that the Japanese military authorities in Manchuria tried to set up a curious sort of army socialism. They were not interested in the welfare of the Chinese whom they conquered. They were not even interested in profits for Japanese capital or increased wages of Japanese labor. They concerned themselves only with the procuring and supplying of further materials of war for the Imperial Japanese Army.

In other words, they made war in order to acquire more weapons with which to make more war. The *Lebensraum*, the so-called "east Asia sphere", which began to be talked about at this time, is not an economic concept. It is a concept of conquest. Japan could have traded

freely with us, with China, with all the nations of the world. Generally speaking, she was doing so. The Japanese extremists did not want to trade, because Japan's military leaders realized that for war purposes Japan had to become autarchic. The history of Japan from 1932 is the history of increasing and multiplying controls. It was during these years and continuing, as you know, until last December that I served as the American Ambassador in Tokyo.

I saw the Japanese generals follow policies not unlike those of Hitler in Europe. Trade was cartelized. Foreign enterprises were tied in with the domestic war economy. Foreign exchange became the subject of repressive regulation. By the spring of 1938 an emergency capital-adjustment law had tied down every ordinary act of commerce to the military sources plan.

There was no time in all these years when the Japanese Army actually said to their people "We shall fight America and Britain." Philosophers and journalists discussed that possibility; statesmen hinted at it. But the issue was never brought to a focus. The Japanese Army and leaders called for more expansion in China, magnified every instance of Chinese resentment or resistance into evidence of conspiracy or calcitrancy, and kept the Japanese Empire afloat with the clamor of war. They never let the ultimate issue become clear. Japanese themselves, they realized that their people had no choice but to follow them, provided the process of militarization was not too rapid.

Let me give you a few instances of what happened to the people in Japan during those years. Japanese big business was cajoled, bribed, blackmailed into self-regimentation and acquiescence to government control. When I arrived in Japan in 1932, Japanese business was still a model of comparative efficiency, drive, inventiveness. By 1941 it had become an adjunct to the military regime. Japanese investors were driven more and more into government investment. Their overseas holdings were jeopardized by the irresponsible actions of their government. Investment in the much-touted

l areas in China was on the Army's terms was subject to the corrupt exactions of the puppet governments under the Japanese Army. Far more important: Japanese farmers controlled their accumulation of debt. Their poverty made possible the cheap food of the cities. Their misery drove their sons and daughters into factories to serve for the lowest wages in a militarized state. The wretchedness of the Chinese farmer, his low standard of living, has been the keystone of Japanese international competition. The China war did nothing—neither in the Manchuria phase or later phases—to help the Japanese farmer. His sons died for him. He was taxed for it. Occasional food shortages gave him the illusion of prosperity when he sold his products on a rising market, but the Japanese farmer remains the first and constant victim of Japanese militarism.

Between the investors and the farmers, the middle classes were driven into an insecurity which would only be relieved by state control. Their freedom of movement, of thought, of expression was circumscribed artfully by appeals to their patriotism or their superstition or both. Their savings were solicited for Japanese Government loans which were secured by the slender hope of Japan's winning some sort of a victory, then stopping and consolidating her gains. With developments such as these, two seemingly incompatible tendencies were produced. Japan was going bankrupt. Japan was getting stronger. The two changes were actually part of the same pattern. Japan was departing from a free economic system, based upon the free domestic and foreign exchange of goods and services, over to an unfree economy, based upon the domestic destruction of goods in military enterprises and supported by the foreign expropriation of goods.

When new territory was acquired, the Japanese invaders alienated the conquered people by cruelty, or atrocious behavior. They called traitorous, renegade, indigenous local rulers as puppet rulers. They built up a currency system which rested on the fiat of the Japanese Army and issued banknotes payable

only in death to anyone who did not honor them. With this currency the Japanese military manipulated exchange so as to conduct trade on a ruthlessly unfair basis. They supplemented this with outright confiscation or capital levies or simply with the murder of the property owners and the enslavement of the workers. Japanese-run monopolies fixed prices on what their own people wanted at ridiculously low levels, and Japanese military patrols "bought" at these prices. On this basis Japan was able to develop a flourishing flow into Japan of goods until the occupied area was pumped dry. Then some concessions would be made in an attempt to prime the pump and sink it deeper into the well.

By the standards of past European imperialism this kind of development is not imperialism. It is stark international hold-up. Nevertheless it worked, and it is still working, and it will continue to supply Japan with materials until we go in and stop the flow with bullets, bombs, and torpedoes.

Japan is finished and ruined in terms of honest finance. Her trade is discredited. Her foreign investments are held only at the points of bayonets. Her customers are completely alienated.

Nevertheless, in terms of dishonest finance, Japan flourishes. Japan has—with her temporary conquests—all the raw materials needed by a great power. She has at her command almost limitless labor supplies. She does not have any friendly rivals in the regions that her armed forces control. Her industrial potential is relatively high and efficient. Labor and the farmers are quiet. At the moment, all this power is pouring into the military economy behind the Japanese fleets, armies, and air forces.

We face this formidable enemy. Our Japanese antagonists live far more cheaply than we do. They conserve their goods. They do not worry about their victims. They concentrate everything on winning the war.

The United Nations will not do business with military Japan again. After the years I have spent attempting to safeguard a free Ameri-

can economy against the potential workings of a Japanese military economy, I am relieved to think that we shall never try again to preserve the peace and our rights by dealing with a Japan which pursues the course of a robber state. The financial system which Japan has created is one which violates all concepts of honest dealing—irrespective of the articular epoch or system. It is the mere mask for a predatory military oligarchy which neither comprehends nor approves the principles of honest exchange, of stable money, and of international good faith.

I think that you will agree that the basic issues of this war are political; that they transcend considerations of national financial or economic interest; that the economic systems of the United Nations, whatever they may be, can be reconciled—each one with each of the others—so long as they proceed on the principles of the Atlantic Charter and the subsequent pronouncements of our United Nations leaders.

The war finance of the United States, of Britain, of China, and of other United Nations differ one from another, but they differ collectively from Axis finance by an unbridgeable gulf. We have a system of free enterprise which has grown and has become modified by economic and military necessity over the years. Britain has an economy substantially little different from our own. China is committed by both theory and practice to a joint state and individualist economy, according to Sun Yat-sen's principle of popular prosperity.

These systems all are in contradiction to the philosophies of aggression nurtured by Japanese and German militarism. The Axis powers have attacked. They think—they may not be as sure now as they were nine months ago—that they will win. We know that we will win, and bring freedom—not omitting the basic, practical freedom from want—to all mankind.

In closing, I should like to call to your minds certain memorable statements made recently by the Secretary and the Under Secretary of State.

In his broadcast of July 23 the Secretary began: "The conflict now raging throughout the

earth is not a war of nation against nation. It is not a local or regional war or even a series of such wars. . . . On our side . . . we are united in our determination to destroy the world-wide forces of ruthless conquest and brutal enslavement. Their defeat will restore freedom or the opportunity for freedom alike to all countries and all peoples."

In his address at the Arlington National Amphitheater on Memorial Day, on May 30, 1945, the Under Secretary of State declared simply and categorically, "The age of imperialism is ended." In that same address he adumbrated the great task of United Nations finance, both public and private, in the post-war world, in which we shall aid our invaded allies—Russia, China, and other European and Asiatic peoples—to rebuild their homelands. He said: "The problem which will confront us when the years of the post-war period are reached is not primarily one of production. For the world can readily produce what mankind requires. The problem is rather one of distribution and purchasing power; of providing the mechanism whereby what the world produces may be fairly distributed among the nations of the world; and of providing the means whereby the people of the world may obtain the world's goods and services."

This is the task we face: to win now, as we shall and must, with every asset, moral and physical, which we possess; to win without regard to cost but with concentration upon maximum efficiency and speed; to win by backing every part of the war effort all the time. Then, after, we face the longer, not less difficult, but fortunately more rewarding task: to assure that our victory for the ages so that no nation may be led into madness again, as Japan has been led, and no exploiters can again organize any nation into a marauding horde bent on conquering, plundering, and ruling over other nations. Japan had prepared for this war for years. Providence has equipped us for the winning of it for centuries. We have the resources, the institutions, and the character that will be decisive, and we shall win.

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN AT THE
RICHMOND WAR AND COMMUNITY FUND MEETING¹

Read to the press October 20]

The War and Community Fund is an aspect of the war effort. At this meeting you symbolize the unity, the good-will, the reciprocity which must prevail among Americans. Our part of the war effort at home is to be done successfully. You also symbolize the freedom which prevails in this country. You are free to criticize your Government, your Army and Navy, and yourselves. The blending of good-will and free criticism can produce results beyond anything which totalitarianism has brought forth. Good-will can cement our unity; I see the seriousness of your interest this evening in the importance which you have attached to this fund. And free speech, like free action or free giving, is all the more effective because free.

I want to tell you tonight about Japan. It is impossible to compress 10 years' observations in a short speech, but there are some things about the Japanese threat which are of basic importance to an understanding of the struggle in which we are engaged. Japan is not the enemy of the war but is a vital part of it. The heroic struggle of the Russian people against Germany, the British and American action against Germany in German air, the desert fighting in Africa—these are all parts of the global picture. In this global war the Pacific war is of equal importance. To adjust our own understanding of the war, to appreciate our Chinese allies the better, we must know what the Japanese menace means to us and to all freedom-loving peoples.

In November 1939, at a time when the Japanese Army was floundering unsuccessfully in China, I wrote in my diary:

To await the hoped-for discrediting in the eyes of the Japanese Army and the Japanese people of their military system is to await the millennium. The

Japanese Army is no protuberance like the tail of a dog, which might be cut off to prevent the tail from wagging the dog. It is inextricably bound up with the fabric of the entire nation. Certainly there are plenty of Japanese who dislike the Army's methods; there is plenty of restiveness at the wholesale impressment of young men to fight in China, at the death and crippling of many, and at the restrictions and handicaps in everyday life entailed by the expenses of the China campaign. But that the Army can be discredited in the eyes of the people to a degree where its power and prestige will become so effectively undermined as to deprive it of control, or at least of its preponderant influence in shaping national policy, is an hypothesis which I believe no one conversant with Japan and the Japanese would for a moment entertain.

"Should a *coup d'état* occur in Japan through social upheaval, there is little doubt that it would lead immediately to a ruthless military dictatorship."

That entry in my diary was almost three years ago. A good deal of water has run under the mill since then, but those observations are just as sound today as they were then—except in one fundamental respect. I then wrote that the Japanese Army was inextricably bound up with the life of the people, and when I wrote of the Army I alluded to the whole great military machine which includes the Navy too. So it is today. From every village and farm and factory and home, sons and brothers and fellow workers have been taken for military or naval service throughout the nation. That whole machine is closely integrated with every phase of the national life. But I also wrote at that time that that military machine could not be discredited in the eyes of the people. Today I amend that statement. The Japanese military machine can and will be discredited in the eyes of the Japanese people, and we, the United

¹Delivered by the Honorable Joseph C. Grew in Richmond, Va., October 20, 1942.

States of America, cooperating with our United Nations allies, will bring that about.

Two questions. First, why? Answer: because until that military machine is so discredited, permanent peace never can be restored in the Pacific area. Second, how? Answer: by utter and complete defeat by the armed forces of the United States of America and of the other United Nations. Only when that Japanese military machine is rendered physically impotent, physically incapable of continuing its far-flung campaign of crushing and conquering and enslaving—yes, literally enslaving—those who fall beneath the wheels of its ruthless and utterly pitiless car of juggernaut, only then will the Japanese people as a whole come to the realization that crime does not pay, that they have been forced to follow false gods, and that the ways of peace are in all respects preferable to the ways of war. And when that time comes—as it assuredly will come in due course—many a Japanese, many a patriotic and loyal Japanese, loyal to his Emperor, loyal to the spirits of his ancestors, and loyal to his nation, yet who did not want this war, who had nothing whatever to do with the bringing on of this war, will view the discrediting of his country's militarists with profoundest relief. And this I say with 10 long years of intimate knowledge and experience of Japan and all her works.

Now how is that defeat to be brought about? Our strategists and tacticians will take care of that. As a layman I should say that two main courses will have to be followed simultaneously. First, the progressive dislodgment of the Japanese forces from the bases and areas that they have temporarily occupied. You know something of the proportions of the battle in which our marines, our sailors, our soldiers, our ships, and our planes are engaged in the South Seas today. They have a tough job ahead, but they themselves are made of iron. They may face many difficulties, have many tragic set-backs, but they will not fail. Second, the progressive

destruction of the Japanese Navy, merchant marine, and air force—producing an attrition which must finally so reduce and weaken the combatant power and their attenuated lines of supply that the homeland will be isolated from every area which they have occupied. That will not be the end, but it will be the beginning of the end. Let us leave the strategy and tactics to our trained strategists and tacticians. That will not fail.

Let us not allow ourselves to be deluded in thinking that these hopes are merely dreams impossible of fulfilment. The Japanese may seem to us fanatics and, at times, barbarians. But in building their Army they have been extremely practical and hard-headed, forging a military nation which today must be recognized as one of the most formidable in the world.

Let us take a somewhat more intimate and extensive look at that Japanese Army which today is hoping to bivouac on the White House lawn. One of the best and most accurate assessments of that Army as it exists today was prepared by our assistant military attaché in Tokyo, Lieutenant Colonel C. Stanton Babcock, and I believe that no better conception of the Army can be conveyed to you than by my presenting, sometimes verbatim, some of the facts and comments set forth in that report.

The Japanese Army has one great advantage over her enemies in the Far East: the advantage of five years of hard fighting in the China War. They have paid dearly for it. Estimates of their casualties run as high as a million men. But for this grim price in blood they obtained a proving ground where they could build a tough, veteran army trained in that greatest of all military schools, war itself.

But the Japanese leaders were not content with this. They gave their men further training in special areas where the terrain and climatic conditions approximate those in the regions where they were to fight. The units and commanders for the various sectors were

ed months in advance and put to work. Malayan army trained in Hainan and Indo-, the Philippine force in Formosa, and units practiced landing operations during the summer and fall of 1941 along the south coast. Even the divisions chosen to attack Hong Kong were given rigorous training in night fighting and in storming pillboxes in hills near Canton. So realistic were these maneuvers that the troops are reported to have suffered "a number of casualties".

The Japanese High Command was able to make these careful preparations because of years of study of the areas where they expected to fight future campaigns. This study was based on a first-class espionage system. Japanese commentators have not even attempted to hide the fact that the High Command was fully informed for a year before the war of the strength, positions, and likely plans of their potential enemies. A good deal of this information is reported to have been obtained by "observing" maneuvers in the Philippines and in Malaya. We seriously question whether much of this information was gathered by official observers. Many of the High Command were probably Japanese officers, disguised as humble members of Japanese communities scattered throughout the world.

making use of this highly valuable information in the various branches of the Japanese armed forces—land, sea, and air—worked together in complete unity. This was the more surprising, in as much as the great political acrimony of both armed services in Tokyo had led to a considerable amount of suspicion and jealousy on the home front. Apparently none of it was allowed to over to the fighting front, for Japanese Army and Navy teamwork left little to be desired. The "combined forces" organized during the summer of 1941 trained and worked together continuously. Matters of command, supply, and other matters which might have given rise to controversy were

carefully worked out in advance and clearly understood by all concerned.

In developing these task forces great importance was laid upon the attainment of air superiority. Admitting frankly their enemies' greater potential air power, the Japanese nevertheless believed that they could seize, and maintain for a long time, command of the air in east Asia. Once again events proved them right. Air-force units, both of the Army and of the Navy, concentrated their strength against enemy air fields, and not until the opposing air strength was thoroughly crushed were any considerable parts of the available Japanese forces diverted to other missions.

But above all, according to both the Japanese themselves and outside observers, the most important factor contributing to Japanese victories is the spirit which permeates all the armed forces of the Empire. This spirit, recognized by competent military men as the most vital intangible factor in achieving victory, has been nourished and perpetuated since the foundation of the modern Japanese Army. The High Command have counted heavily on the advantages that this would give Japan over her less aggressive enemies. They were well aware of the psychological effect produced on the British, the Dutch, and the Americans by reliance on a strategy and tactics of defense. They counted on an appreciable interval before an aroused nation could find itself and develop a fighting spirit of its own. By that time, they still feel, Japan will be in complete control of all east Asia.

The Japanese themselves have developed a tremendous fighting spirit in their armed services and people alike. Indeed, the Japanese armed services and the Japanese nation have become so closely identified that it is difficult to tell where one stops and the other begins. Every Japanese male, of course, must perform military service under a system of universal

conscription. Thus, in every family the father or son or brother has served or is serving in the Army or Navy. Every house in Japan, down to the lowliest hovel, proudly flies the Japanese flag at its front door when one of its men is in military service.

The people of Japan are wholly united in their support of their armed forces and of this war simply because it is declared to be the will of the Emperor. To oppose the will of the Throne, the will of the Son of Heaven, is unthinkable in Japan. Disloyalty to the Emperor, too, would shame their own ancestors; and ancestor worship, the patriotic faith called Shintoism, is the fundamental faith of the entire country.

This is the mentality to which we are now opposed. To meet this we Americans must come together with profound determination. If we work together in all things we shall inevitably win. But under no circumstances will we win without great effort. If we chasten our boastful tongues and avoid the temptations of idleness or selfishness we shall find that our freedom stands us in good stead. Most of all, we shall keep our dignity and our moral stature as men. Our compassion will aid the unfortunate among us. Our sympathy will accomplish more than the inhumane discipline of our enemies. Our own discipline will spring from the self-awareness of free men.

Your War and Community Fund is not a function of government. It accomplishes things which government could accomplish only crudely and impersonally, if at all. In time of war, even more than in time of peace, it is up to each of us to respond to the moral demands which his home and his community rightfully and advantageously make. Your contributions—voluntarily made—will be an attestation of your civic pride and of your willingness to help your needy fellow townsmen, fellow Americans. Our meeting today is not a rally for warfare. It is

not an appeal to buy arms or to fight. But in deeper sense, it is a real challenge to Japan. In the making of our pledges to the War and Community Fund, we shall be saying to Japan:

"We are free men. We are Americans. Voluntarily we stand together, working and giving for the common good."

The Far East

RELINQUISHMENT OF EXTRATERRITORIAL RIGHTS IN CHINA

[Released to the press October 24]

Pursuant to the Department's announcement of October 9, 1942, in regard to this Government's preparedness promptly to negotiate with the Chinese Government a treaty providing for the immediate relinquishment of extraterritorial rights in China and for settlement of related questions,¹ the Secretary of State on October 24 handed to the Chinese Ambassador, for the consideration of the Chinese Government, a draft treaty designed to accomplish that purpose.

In handing the draft to Dr. Wei Tao-ming, Secretary Hull stated that, as the Ambassador knew, this was a step which this Government had long desired to take—a step in conformity with and in practical application of the fundamental principles of our foreign policy. The Secretary went on to say that, because of our own deep and long-standing interest in this matter, this moment was to him one of especial personal gratification.

¹ BULLETIN of October 10, 1942, p. 805.

The Department

THE DEPARTMENT OF STATE IN WARTIME

participation by the Department of State in war effort has had a marked effect on the organization and functions of the Department. The most obvious change has been the inevitable increase in personnel. In 1932 there were 833 employees in the Department of State; this number has now grown to more than 2,500. New divisions and offices have been created and existing divisions have expanded to handle problems arising out of the war and the entry of the United States into the conflict in December 1941. The BULLETIN has carried announcements of the establishment of these new offices.

More significant, although less obvious, have been the broadened scope of the Department's activities and the changes in methods of operation and procedure in the Department as a result of the war.

The Department's normal governmental functions have broadened to cover associated activities of all other Government agencies and to maintain close technical relations with the agencies and interdepartmental policy groups participating in the war effort. For two principal reasons the Department of State is associated in the operations of these agencies: First, it is the Department primarily responsible under the President for the conduct of our foreign relations; and, secondly, the Foreign Service forms the official channel between this Government and foreign governments. Thus participation by the Department at two points in all international operations is required: it must coordinate in the foreign-relations field, the many complex war activities of other departments and agencies, including a number of war emergency agencies; and it must, in large part, furnish the basis for carrying out these activities so far as they require action in foreign countries. The

effective discharge of these responsibilities by the Department has a vital bearing upon the success of the war effort.

In many cases other agencies must depend upon the Department not only for coordinating their activities in the foreign-relations field with foreign-policy considerations but also for the specific information upon which their operations must be based. For example, the Liaison Office in the Office of the Under Secretary of State expedites the consideration of and action upon urgent politico-military questions of common interest to the State, War, and Navy Departments and operates as part of the Secretariat of the Liaison Committee, composed of the Under Secretary of State, the Chief of Staff, and the Chief of Naval Operations. The Office receives urgent communications or inquiries from and transmits to the War and Navy Departments, and often to such military bodies as the Inter-American Defense Board, despatches and daily technical reports of a confidential nature from our diplomatic missions and consular offices abroad, which are essential to the proper functioning of certain military and naval operations.

Similarly, the four Advisers on Political Relations maintain close relations with other Government agencies; the work of the adviser on Far Eastern affairs, for example, includes participation as a member of the Subcommittee of the Joint Intelligence Committee of the Joint Chiefs of Staff, which Subcommittee processes material, evaluates information, and prepares recommendations for the use of the Joint Chiefs of Staff; collaboration with the Lend-Lease Administration and with the Administrative Assistant to the President charged with duties relating to the furnishing of lend-lease and other

assistance to China; consideration of policy in collaboration with the Division of Defense Materials in the Department and with the Board of Economic Warfare in obtaining strategic materials from China; collaboration with the Division of Current Information and with appropriate officials of the War and Navy Departments, the Office of War Information, and the Office of Strategic Services in planning psychological warfare; and cooperation with the Department's Division of Cultural Relations and with the Office of War Information in the formulation of plans and the preparation of material for dissemination in China, designed to promote understanding and the interchange of culture between the American people and the Chinese.

Many situations involve not only the interplay of political and military considerations but also decision and action in the economic field by several of the interested agencies. Just prior to the United States' entry into the war the Secretary of State set up the Board of Economic Operations, composed of certain officials and six divisions in the Department, for the purpose of coordinating the general economic foreign policy of this Government, and, in particular, the program of economic warfare. This program requires collaboration with numerous officials of the United Nations and with such international agencies as the Combined Shipping Adjustment Board, the Combined Raw Materials Board, the Inter-American Development Commission, and the Inter-American Financial and Economic Advisory Committee, as well as the correlation of the programs of such United States Government agencies as the Board of Economic Warfare, the War Production Board, the Office of the Coordinator of Inter-American Affairs, the Reconstruction Finance Corporation, the War Shipping Administration, the Export-Import Bank, and others.

In the program of psychological warfare the Department, through its Division of Current Information in collaboration with the Division of Cultural Relations and the geographic divi-

sions of the Department, works in liaison with other agencies in the war-information field including the Office of War Information, the Office of Censorship, the Office of the Coordinator of Inter-American Affairs, and the Joint Psychological Warfare Committee of the Joint Chiefs of Staff, in planning and directing psychological warfare in various parts of the world by means of the radio, the press, and motion pictures. The Department supervises the use of informational material, conforming to our general foreign policy, which will be suitable for dissemination by our diplomatic missions in countries outside of the Western Hemisphere; furnishes recommendations to the Office of War Information based on reports from the field; and studies reports on enemy propaganda and intelligence activities in American republics.

The embassies, legations, and consular offices in the Foreign Service have necessarily become the headquarters or centers of wartime action in all countries with which we maintain diplomatic relations. An Auxiliary Service has been created on a temporary basis to supplement the permanent Foreign Service staff in handling new responsibilities created by the war and serving other Government agencies, such as the Board of Economic Warfare, the Office of Strategic Services, the Lend-Lease Administration, the Office of the Coordinator of Inter-American Affairs, and the Office of War Information, whose operations relating to foreign countries are of major interest to the Foreign Service establishments in those countries. In 1932 there were fewer than 4,000 persons in the Foreign Service; now, the personnel of the Foreign Service, including the members of the new Auxiliary Service, totals more than 4,500.

In addition to its broad role in coordinating economic and political action relating to foreign policy and in maintaining the foreign output of this Government, the Department is directly charged with a number of duties closely related to the war. An example of this is the designation of the Secretary of State to prepare the Proclaimed List of Certain Blocked Nations.

the cooperation of other agencies. Similarly, the Department has broad responsibilities with respect to the representation of the United States in intergovernmental committees, an example of which is the Inter-American Financial and Economic Advisory Committee, of which the Under Secretary of State is the delegate of the United States and the chairman. The Department's efforts in the promotion of hemispheric solidarity have been intensified, and similar efforts have been implemented by meetings of the foreign ministers of all the American Republics, such as the meeting held at Rio de Janeiro in January 1942, to insure full cooperation in joint problems of defense.

A detailed survey of the functions of one of the long-established divisions of the Department, such as the Division of the American Republics, reveals a diversification of duties which requires experts with first-hand knowledge of conditions in every field of social, political, and economic activities in those countries in order to handle the complexity of problems related thereto.

This Division has charge of coordinating relations with the 20 other American republics and with inter-American organizations and has a greatly expanded program of cooperation and solidarity between the United States and these nations.

In the field of political warfare, the Division of the American Republics studies reports of American and enemy activities in the hemisphere, including political penetration, radio press propaganda, economic penetration by agents and concessions, fifth-column activities, espionage, use of telecommunications, etc. Suggestions and recommendations for countermeasures and eliminating such activities, requiring familiarity with foreign methods of secret intelligence, are a frequent result.

This Division maintains liaison with the Pan American Union, the Inter-American Defense Board, and the Coordinator of Inter-American Affairs, among others, on a variety of social, political, and defense problems, and the Divisions of Cultural Relations and

Current Information of the Department. Contacts with high officials, visitors, and members of the diplomatic corps of the other American republics are frequent and essential. This Division studies political developments arising from inter-American conferences and cooperates with other divisions and offices of the Department in handling matters relating to various treaties and agreements, such as water and boundary settlements, the Inter-American Highway, the Inter-American Coffee Agreement and negotiations for the Inter-American Cocoa Agreement, and the International Sugar Agreement; agrarian cases; immigration and protection; aviation developments; commercial relations; and export control and priorities. Officers of this Division analyze and prepare digests covering reports from the Foreign Service in the other American republics and from Army and Navy officers attached to these missions; study and observe current trends and developments—political, economic, and social—in these countries; and prepare instructions to the Foreign Service in accordance with the policies of the Department. The Division renders technical assistance in connection with the detail to the other American republics of military, naval, and air missions; reviews with special attention to the effect upon the Department's policy all material for the press and other modes of publication, including radio scripts and motion-picture newsreels, having reference to the other American republics. As may be seen, the responsibilities of this Division, as well as others in the Department, cover virtually every aspect of life within the regions to which its work is directed.

The role of the Department of State, so highly important in time of peace, is even more vital in time of war, since its vigorous conduct of our foreign relations in the political, economic, social, cultural, and administrative fields comprises one of the most effective means which the United States possesses, not only for combating the Axis powers but for insuring and continuing long-term friendships with the other nations of the earth.

COMMENDATION OF STEPHEN H. QUIGLEY BY THE SECRETARY OF STATE

[Released to the press October 24]

Mr. Stephen H. Quigley, Administrative Assistant in the Division of Protocol, Department of State, on October 23 received a letter of commendation from the Secretary of State congratulating him on his 40 years of service with the Department. He was appointed on October 23, 1902.

For many years Mr. Quigley has been in charge of the important task of examining requests for the recognition of and the issuance of exequaturs to the consular corps of foreign governments in the United States.

Mr. Hull commended Mr. Quigley for his devotion to duty during the 40 years of service to his country in the following terms:

"MY DEAR MR. QUIGLEY:

"It affords me special pleasure to extend to you today my most sincere congratulations upon the completion of forty years of loyal service in the Department of State.

"Your devotion to duty over these many years has been unflagging, and a constant source of inspiration to your colleagues.

"Your associates and I are grateful to you for your labors, we take pride with you in your accomplishments, and we rejoice with you in the celebration of this fortieth anniversary of your service to your country.

"Sincerely,

CORDELL HULL"

Cultural Relations

VISIT TO THE UNITED STATES OF PARAGUAYAN SURGEON

On October 24 Dr. Manuel Riveros Molinari, Professor of Clinical Surgery in the Medical School of the National University of Paraguay and Chief Surgeon of the Clinical Hospital in Asunción, arrived in Washington, as a guest of

the Department of State, for a two months' study of medical schools and hospitals in this country. He will study organizational methods and methods of teaching surgery, with a view to adapting these to the National University of Paraguay.

International Conferences Commissions, Etc.

REPORT OF THE INTERNATIONAL BOARD OF INQUIRY FOR THE GREAT LAKES FISHERIES

[Released to the press October 21]

After two years of intensive investigation the International Board of Inquiry, established February 29, 1940 by the United States and Canada to study conservation of fisheries in the Great Lakes,¹ has submitted its report. The report recommends that, based on the results of common studies of these fisheries, regulations for their management be formulated and adopted by a joint agency of the two countries.

Establishment of the International Board of Inquiry grew out of a series of interstate international conferences held during the few years by the Council of State Governments for the conservation of the Great Lakes fisheries. The problem of conserving these fisheries had also long engaged the attention of the governments of Canada and the United States, the Province of Ontario, and the States bordering on the Great Lakes. The production of certain species of Great Lakes fish had reached alarm levels.

During its two-year investigation the Board conducted hearings and meetings in 29 countries on the Great Lakes in which more than 1,000 commercial fishermen, public officials, sportsmen participated. Facts brought out at the meetings were supplemented by information from 4,000 questionnaires mailed to commercial fishermen in the area.

¹ BULLETIN of March 2, 1940, p. 273.

the recommendations made by the full Board
w:

) That there be common investigation of
fisheries of the Great Lakes.

) That, so far as investigation shows fish-
to be dependent upon a common stock or
ve the same conditions, regulations for
gement of these fisheries be formulated
ested by a common or joint agency.

) That where investigations are not con-
ve such common regulations be applied
he results therefrom carefully determined
there is adequate proof of their effective-
for the purpose.

That the attention of the agencies con-
d be drawn to the need (a) for accurate
tics of the take and of the fishing effort,
or separate statistics for each species of
nd (c) for separate statistics for each of
districts as may be defined in common
ment.

That thorough tests be made of the effec-
ss of planting fish in a lake or lakes in
to determine whether the present planting
h should or should not be continued or

In a separate supplemental report the United States members reviewed past efforts of the States and of the Federal Government to develop effective conservation measures for the Great Lakes fisheries, called attention to certain jurisdictional aspects of the problem, and presented extensive data on production in the fisheries investigated. The supplemental report of the United States representatives suggests a form of agreement which would vest control in established agencies in Canada and the United States, with regulation handled through the concurrent action of Federal and State Governments.

The report, together with a supplemental report by the United States representatives, was submitted to the Secretary of State and Prime Minister King. Members of the Board were Hubert R. Gallagher, Assistant Director, Council of State Governments, Chicago, Ill., *chairman*; A. G. Huntsman, Consulting Director, Fisheries Research Board of Canada, Toronto, Ont.; John Van Oosten, United States Fish and Wildlife Service, Ann Arbor, Mich.; and D. J. Taylor, Deputy Minister, Game and Fisheries Department, Toronto, Ont.

Treaty Information

NAVIGATION

Extension of the International Load Line Convention

British Government in their capacity as
overnment charged with the administra-
f the International Load Line Conven-
igned at London July 5, 1930, proposed to
natories of the Convention in July 1941
modifications of the terms of the Con-
n to provide for deeper loadings of ves-
it was pointed out that while the restric-
posed by the Convention were appro-

priate under ordinary conditions they were in-
appropriate in view of the existing emergency
and the resulting shortage of available tonnage.
In these circumstances the British Government
was of the opinion that the Contracting Parties
would feel justified in agreeing to certain tem-
porary modifications of the Convention permit-
ting of a limited degree of deeper loadings as
being in the general interest of all countries
desiring a satisfactory termination of the pres-
ent hostilities. The modifications were con-
tained in a draft declaration which was com-
municated to each of the Contracting Parties

maintaining diplomatic relations with the British Government with the expressed hope that they would join that Government in assenting thereto. The modifications were to remain in force until August 31, 1942.

On August 8, 1942 the American Ambassador at London informed the Secretary of State that he had received a note from the British Foreign Office calling attention to the expiration on August 31, 1942 of the Modifications of the Convention, which were announced in August 1941. The note stated that as the deeper loadings of vessels had provided a substantial increase in tonnage without ill effect to either the ships or their crews "we therefore propose to continue the application of the declaration to United Kingdom ships for the period of the national emergency i. e., until the end of six months after the cessation of hostilities between the United Kingdom and Germany". The note continued: "For this purpose the conclusion of a general armistice not followed within a period of six months by the resumption of hostilities will be deemed to be a cessation of hostilities. We are notifying accordingly all Governments which we invited to join us in making the declaration in question and we are suggesting to them that they extend similarly the measure which they have taken."

The following modifications are those suggested by the British Government, that ships may be permitted to load:

- (a) To their tropical marks instead of their summer marks when the latter are applicable under the provisions of the said Convention;
- (b) To the fresh water tropical marks instead of the existing tropical marks when the latter are applicable under the provisions of the said Convention.

The terms of the Convention, so far as the United States of America is concerned, were suspended for the duration of the present emergency by a proclamation issued by the President on August 9, 1941. The proclamation together

with a statement issued to the press appeared in the BULLETIN of August 9, 1941, pages 114.

The countries which ratified or adhered to the Convention prior to the outbreak of hostilities are United States of America; Argentina; Australia; Belgium; Brazil; Bulgaria; Canada; Chile; China; Cuba; Free City of Danzig; Denmark; Egypt; Estonia; Finland; France; French Indochina; Germany; Greece; Britain; Greece; Hong Kong; Hungary; Iceland; India; Ireland; Italy; Japan, including Chosen, Taiwan, and Leased Territories; Kwantung; Latvia; Mexico; Netherlands, including East Indies and Curaçao; New Zealand; New Zealand; Norway; Panama; Poland; Portugal; Rumania; Spain; Sweden; Settlements; Sweden; Thailand; Union of Soviet Socialist Republics; Uruguay; Yugoslavia.

EXTRATERRITORIALITY

Relinquishment of Extraterritorial Rights in China

An announcement stating that the Secretary of State has handed to the Chinese Ambassador a draft treaty designed to provide for immediate relinquishment of extraterritorial rights in China and for the settlement of related questions, to be considered by the Chinese Government, appears in this BULLETIN under the heading "The Far East".

STRATEGIC MATERIALS

Agreements With Brazil

The American Ambassador to Brazil reported by a telegram dated October 6, 1942 that agreements were signed on that day providing for the purchase by the United States from Brazil of coffee, cocoa, and Brazil nuts.

Publications

DEPARTMENT OF STATE

Local Trade: Agreement Between the United States of America and Ecuador Modifying the Agreement of August 6, 1938—Effectuated by exchange of notes dated March 2, 1942. Executive Agreement Series Publication 1806. 5 pp. 5¢.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and the Union of Soviet Socialist Republics, and Exchange of Notes—Agreement signed at Washington June 11, 1942; effective June 11, 1942. Executive Agreement Series 258. Publication 1808. 6 pp. 5¢.

Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and the Union of Soviet Socialist Republics, and Exchange of Notes—Agreement signed at Washington July 11, 1942; effective July 11, 1942. Executive Agreement Series 262. Publication 1810. 5¢.

Slave Trade, and Extradition (Webster-Turner Treaty): Treaty Between the United States of America and Great Britain, and Exchanges

of Notes—Treaty signed at Washington August 9, 1842; proclaimed by the President of the United States November 10, 1842. Treaty Series 119 (reprint). 11 pp. 5¢.

Legislation

Amending the Nationality Act of 1940:

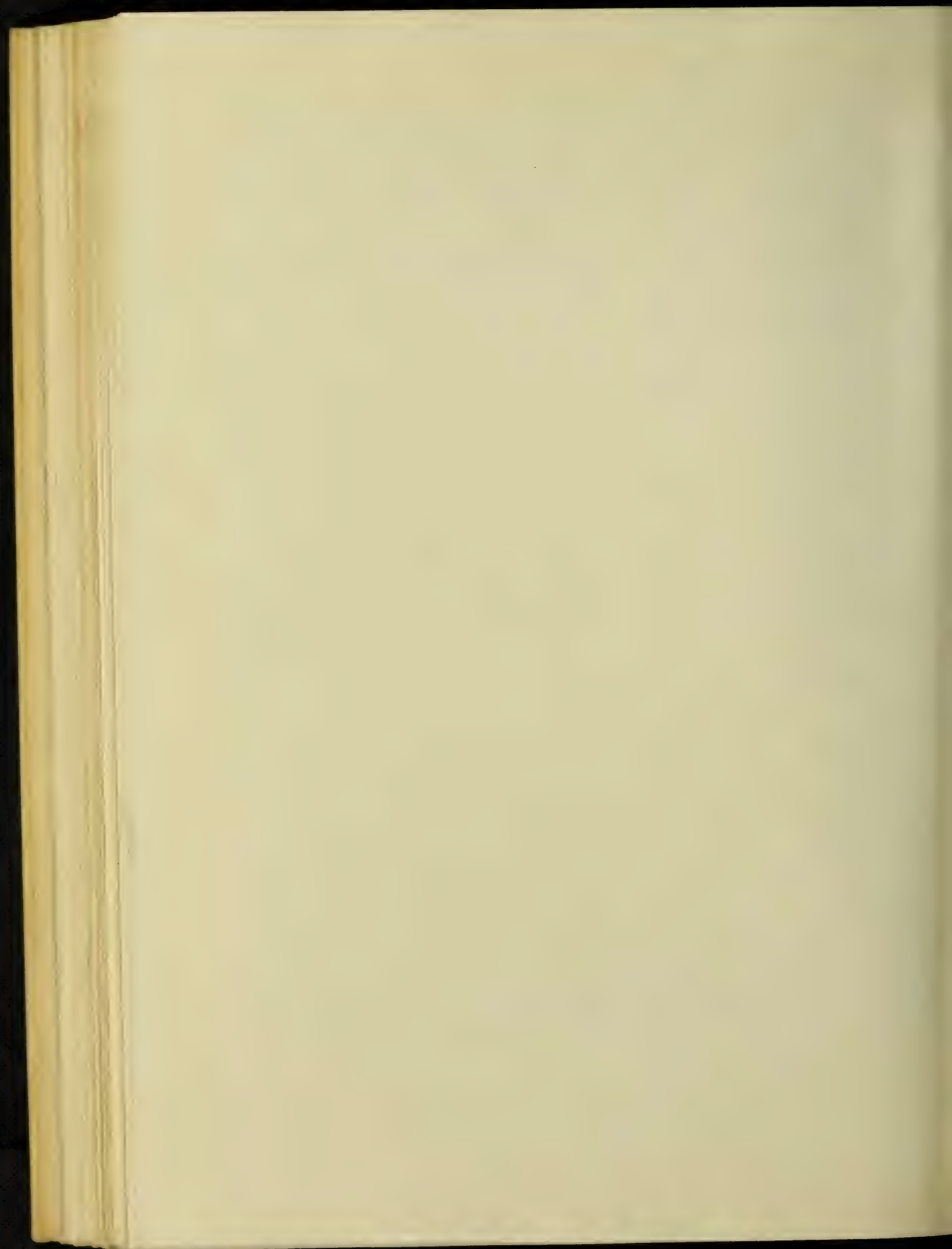
H. Rept. 2582, 77th Cong., on H.R. 6763 [providing naturalization without declaration of intention of the noncitizen parents of sons and daughters who are citizens of the United States with honorable service in the U.S. armed forces during the present war]. 4 pp.

H. Rept. 2584, 77th Cong., on H.R. 7615 [to expedite the naturalization of certain persons who are not citizens, who have served or who may hereafter serve honorably in the U.S. armed forces during the present war]. 4 pp.

Trends in Nonwar Federal Expenditures: Message from the President of the United States transmitting a report from the Director of the Bureau of the Budget with regard to trends in nonwar federal expenditures. H. Doc. 870, 77th Cong. [Expenditures of the State Department, pp. 6, 23, 36, 43.] viii, 58 pp.

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The War

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, OCTOBER 27¹

Read to the press October 27]

You, ladies and gentlemen, representing the authors and bookmen of America, are in a truly strategic position to perceive the psychological course of the world war in which this country and most of mankind are engaged and to appreciate the moral and political forces which lie behind our tremendous economic and military effort. I would like to talk to you today about the many fronts involved in our operations against Japan—not the least important of which is the front of understanding the enemy.

America has been a sleeping giant. When I returned from Japan I was impressed by the surprise which so many Americans said they felt at the sight of Japan's great victories. They had underestimated the enemy. They had thought of the Japanese power as a bluff. Some suggested regarding the Japanese Navy and Air Force and had talked of destroying Japan in three months.

I am glad to say that we now are awake. The American people were shocked by Pearl Harbor and by the bold unfolding of Japan's aerial plans. But we must not relax again. We must watch our own thinking and speech. We must guard against being misled by our press. If we do not we are leaving ourselves open to renewed surprise, possibly to renewed defeat.

You, authors and bookmen, can tell the American people to be on guard against psychological

minefields and ambushes. A foolish optimism, a complacent self-confidence can prepare the way for an unnecessary despair. The American people have awakened. It is your business and mine to help them remain wide-awake. We must not look trustfully at our production and think that the brand-new weapons at our factory gates will somehow do our fighting for us. Machinery cannot take the place of men. We have to see clearly and completely the job which lies ahead of us. We must see our enemies as our enemies. We must know what they have and what they are. We cannot blame our difficulties on circumstances and ignore the fact that our enemies, the Germans and the Japanese, attacked us. It was not mischance or carelessness; it was the hatred and the power of Japan which struck at us. To win we cannot merely put our own house in order or change our policies: we shall have to cross the seas and defeat Japan. If we ever forget that Japan—not distance, not time, not chance—is our enemy in the Pacific, we shall expose ourselves to renewed disappointment.

Let us hold to the alertness which we have attained at such a heavy price. Let us watch and study our enemy. Let us know more about him. You, authors and bookmen, have a real service to render the American people. You can look into and at the facts and tell the American people the kind of enemy we face, in Europe and in the Pacific.

You can tell the American people that our Japanese enemy is none the less formidable for being unfree. Japanese work well under

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orders. They are a disciplined people. They are fighting for a cause which is bad, but it is the only cause they know, To them the Imperial homeland is security, patriotism, and religion at the same time. The Japanese do not bend. They fight until they can fight no longer.

They will not break of themselves. We shall have to do what no one has ever done before. We shall have to defeat the Japanese in Japan. I can hold out no encouragement for the supposition that the Japanese will surrender simply because we attain a statistical superiority of weapons or men or because we reconquer some of the territories Japan has conquered. If the Japanese were thus breakable they would not have started this war in the first place. They are made formidable by regimentation, discipline, and training.

Tell the American people, also, that the Zero plane is not the only strong point which Japan possesses. The Japanese are admirably equipped for this war both by nature, by their own hard efforts, by what they have wrought.

Japan has one of the prime essentials of war, a fine communications system. The Japanese islands are linked by the sea itself and are close enough to one another for each to give support to the others. The islands of the Japanese Empire proper are extended by the Kuriles toward the Aleutians and by the Loochoos, Formosa, and the Mandated Islands to the equator. Recently the Japanese armed forces have occupied almost all of Indonesia and a great part of the south Pacific. Within all that area the Japanese have internal sea communications.

The Japanese have built upon the splendid foundation which nature has given them. Their port facilities are excellent. They include some of the finest harbors in the world, together with an ample number of smaller ports and bases. The Inland Sea of Japan is a Mediterranean in itself. Bays and estuaries with land-based air protection or artillery protection accommodate friendly ships while excluding all possible enemies.

Throughout these waters an immense fleet of sea-going craft is mobilized for war—all the

way from picturesque but efficient fishing boat to modern super-dreadnaughts of great size and fire power. The Japanese mercantile marine is one of the finest in the world. Japan has a large, modern shipbuilding capacity, where both coal and Diesel-powered passenger ships and freighters were and are produced in large numbers. There is nothing inefficient about these ships.

The sailors who man the Japanese merchant marine are good seamen. The modern, smooth efficient service rendered punctually and cheaply by such great lines as the N.Y.K. or the O.S.N. is world-famous. All the Japanese liners which competed with Britain, with Norway, and with us for the freightage of the world are now mobilized behind the Imperial Japanese fleet. The British and American merchant fleets must serve all the United Nations, including the whole British Empire. The Japanese merchant fleet serves only the Japanese.

The Imperial Japanese Navy is an efficient instrument. Today Japan is at war with both Britain and the United States. Each of us separately has a Navy larger than Japan's; but we have problems in the Seven Seas. The two of us together cannot, at this moment, reoccupy the vast areas in the Pacific that are held by the Japanese Navy. We cannot even cut them off from the Netherlands Indies, and cutting Japan from the mainland of Asia is still a far-away and much-to-be-desired goal. We shall attain that goal only when we have built for it, fought for it, and stained the Pacific Ocean with blood.

Tell the Americans that this vast unity of power is held by Japanese, all of whom worship the same Empire, who are of the same race, who speak the same language, who hate the same enemies, who have endured a discipline so strict that it leaves no room for political parties, economic factions, or social rivalries. Tell them the monolithic unity of Japan effortlessly surpasses the painfully acquired unity of the Germans, and that this unity is turned against the Chinese, the British, and us. Japanese sea power is no mere matter of economics or politics; it has the ruthlessness and the power of a cult.

Over and above the power of Japan at sea, her enemy empire is well provided with land communications. Excellent railways cover the great islands of Japan. The two largest islands have been linked by an undersea railway tunnel between Shimonoseki and Moji. The railways of Korea, of China, of Indochina, of Thailand, and of Malaya are at the disposal of the Japanese. It is only the resistance offered by the well-equipped but heroic armies of Chiang Kai-shek which has kept Japan from realizing the dream of a Korea-to-Singapore land-transport system which would parallel the sea routes she already patrols.

Tell the American people that they must not give themselves about the cities of Japan. The vitals of Japan are modern: the telephone, radio, electric, and other centers are up to date. The cities of Japan have been built to face earthquake. The houses will burn easily, but the fire fighters are intensively trained and efficient, and, in any case, their houses will be all the more easy to replace. The Japanese have lived in anticipation of catastrophe and fire. Could they nowadays build so that their whole civilization could be wiped out in one earthquake? Can the mightiest destruction which nature unleashes compare with the convulsions of war? No blitzkrieg can compare with an erupting volcano or with the ruptured earth. Japan has built her cities to withstand shock, concussion. When I think of the exposed position of Tokyo and the exposed position of New York I do not believe that we have occasion for premature self-congratulation.

These cities are fed. Unlike Great Britain, Japan produces enough food for all her inhabitants. I question whether Japan could be starved even assuming that the American Navy could hold the narrow and dangerous straits of Tsushima, where the Russian fleet perished in 1905. Japan has her own rice, her own grain, her own agriculture, her own fisheries.

With strong communications, modern defenses, well-prepared cities, and secure food, Japan is further reinforced by all the other attributes of modern industrialism and totalitarianism. Her Government is traditional and

authoritative. It fits the habits of the people and has their unqualified loyalty. At the same time, this Government is as offensively up to date as the economic Germany of Hermann Goering or the propaganda Germany of Paul Joseph Goebbels. Dictatorial but suave, the Government pervades all public and private life. It does so, simply and directly, on the basis of old traditions. The Japanese Government is further supported by a propaganda machine which has full radio, press, and motion-picture coverage of the country.

We can turn these elements of Japanese strength into Japanese weaknesses. The sea communications which hold this new Japanese dominion of robbery together can be broken by American warships and aircraft and supply shipping and by the American armed men who fight for and hold our increasing circle of counterattack. Japan, in all her seas, has no natural defensive line. When we, by our own efforts, are adequately prepared we can and will strike for final victory. But our efforts cannot and must not be less than heroic. Tell the American people that the downfall of Japan—the conversion of Japan's wide-spread strength into Japan's diffused weakness—depends on the spirit which we manifest, the work which we do, and the armed effort which we throw into the conflict.

In the serious maturity of our national life we can and will triumph. The enemies we face are no more powerful than we are. But we cannot fight partially or tentatively or dubiously against men who are fighting body and soul under the frenzy of fanaticism exploited by dictatorship. Tell the American people that we must match the seriousness, the courage, the determination of our enemies; that we must fight a hard, fierce war; that we must win, even as Russia and China are winning; the war of battles for the sake of freedom; that this war is one of total freedom against total ruin. Tell them this, and you will be telling them the soberest truth.

The American giant has awakened. We, in our wealth and health and reserve of power, can meet any force which can be brought against

us. With the brave allies we have in the United Nations, and with the ideals which we all have in common, we can become irresistible. But we shall win only by fighting, and we shall fight in dead earnest only when we know and understand the powerful enemy that we are up against. You and I and all Americans have it in our power to show how well, how bravely, how speedily we can counterattack the enemies who in the first rounds have had the better of the fight. Their initial victories will in the long run be shown to have been a prelude to defeat. We have elements of strength which

they lack. We have a righteous cause and we are a free people.

I should like to pass on to you, as I have passed on to others, a sentence from the diary of an American soldier, Martin Treptow, written shortly before he fell at Chateau Thier in 1918, because it conveys thoughts which every one of us should have constantly in mind today. "I will work;" he wrote, "I will save; I will sacrifice; I will endure; I will fight cheerfully and do my utmost; as if the whole struggle depended on me alone."

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, OCTOBER 27¹

[Released to the press October 28]

I wish that I might turn over the microphone tonight to one of those scores of Americans—many of them my valued friends—who were forced to remain behind in Japanese prison camps. They could tell you, far more simply and cogently than I, what we are fighting against and what we must fight for. My staff and I, who were fortunate enough to be exchanged, have come back to tell the tale. But it was a bitter experience to have to leave others behind, imprisoned or interned. To emerge from that atmosphere into the pure air of a free land is to understand—perhaps for the first time fully—the preciousness of freedom. Many things that seemed complicated suddenly become simple. Doubts are suddenly swept away. Issues that were confused are suddenly clarified. Only one issue remains: the issue of victory—in the war and then in the peace—at all costs. Nothing else matters now but to win this war and establish a decent and firm peace.

Those of us who serve the United States Government in foreign countries, as I have done for the greater part of the past 38 years, necessarily remain outside the arena of domestic political issues and controversy which in time of peace

are vital to the health and progress of democratic peoples. Yet this I would say to you speaking as a plain American with all the seriousness at my command: all domestic issues and controversies which do not contribute directly to the winning of the war should and must be laid aside at this time of grave national danger.

National solidarity is today absolutely necessary, not as an end in itself but as a prelude to United Nations solidarity, and United Nations solidarity is a prelude to victory. For we must not harbor the illusion that any one of us might be powerful enough to defeat this enemy single-handed. Nothing less than the combined wealth and strength and will-power and effort of the United Nations will prevail.

For the past 10 years it has been my grim and highly instructive task to study at first hand the most implacable—if not the most formidable—enemy we have ever faced. That enemy is sworn to destroy us. To defeat him we must first appraise him accurately; we must analyze the source and extent of his strength, and must more than match it.

If Japan's strength could be measured by her material wealth, by her stockpiles of iron and her reserves of oil, by her access to rubber and tin, by her capacity to produce ships and planes, it would be a relatively simple matter to measure her power. But how can one measure the

¹ Delivered by the Honorable Joseph C. Grew before the National Republican Club, New York, N. Y., Oct. 27, 1942, and broadcast over station WHN.

concentrated will-power and determination and with of a whole nation which is fanatically devoted to a common and total objective? And when the faith of the people is translated into their daily thoughts and actions, when their determination is directed solely toward conquest and domination and enslavement of half the world, it becomes a force to be reckoned with indeed. The Japanese people have been welded to an instrument of war as no other people, perhaps, since Sparta. Like the Spartans, the Japanese have made of militarism—with the obedience, frugality, and self-obliteration which requires—their highest virtue. They are poor, but poverty has been their companion for centuries. They are disciplined, for in discipline they have solved some of the problems of life in a small, overcrowded island. They are obedient to authority, the authority of the Emperor—the authority which for thousands of years has been the essence of their religion. It is difficult for us to understand the fanatical loyalty with which the Japanese soldier gives his life for his Emperor.

The warlords of Japan have capitalized on the traditional qualities of the people for their purposes of aggression and conquest. The people have been told that they are invincible, and they believe it. They have been told that Americans are ludicrously soft and weak, and they believe that. Their erroneous appraisal of us will in the end prove their undoing. Meanwhile their solidarity is a source of incalculable strength. But it would be a mistake for us to conclude that complete solidarity and unity can only be the product of centuries of suppression, that it can only exist within a totalitarian framework. The exact opposite is true. We, free people, can achieve as great or an even greater unity and strength.

Our own allies have shown us that the spontaneous solidarity of free peoples can be an even more flexible and finely tempered weapon. Look at the British, a people wholly dedicated to a common purpose. They will tell you that their democracy is more alive today than ever before. When France fell in that tragic June of 1940, Britain, with her dominions, stood alone

against the Nazis and Fascists of Europe. The war might have ended at that moment. Nothing but a miracle, it seemed, could save Britain from being overrun by the Nazi hordes massed within 20 miles of her shores. But a miracle did save her. It was the miracle of the people to whom nothing mattered but first to defend themselves and then to fight on to victory. They forgot their rights; they thought only of their duties and their capacities. They worked as they had never worked before to replace the equipment lost in France. They labored night and day on the defenses of their island. Barbed wire and pillboxes appeared as if by magic on the cliffs and beaches; anti-aircraft guns and fighter planes came rolling off the factory assembly lines; Home Guard volunteers loaded their old shotguns and drilled through the long summer evenings on the village greens. There was no need to talk of morale, no need to ask for volunteers, no need to persuade the people into making necessary sacrifices, for the things that had to be done no longer seemed like sacrifices. We owe much to the British Navy and air force. They stood, they held, between the Nazis and us and the rest of the Western Hemisphere—even the rest of the world. To the British people our debt is incalculable.

We can look with no less appreciation to our Russian allies to see the power of spontaneous solidarity. The Soviet people have proved that the best-trained military machine will falter and stop in the face of sheer courage and unwavering determination. Since their land was invaded, nothing else matters to the Soviet people but to work and fight and avenge their dead comrades. That determination fills their lives. It leaves no room for internal dissensions or personal ambitions, or indeed for any consideration of personal interests.

Look for a moment at our Chinese allies. For 11 years the Chinese people have lived and fought and died for the survival of China as a free nation. China has been unified, and for this she can thank the sweat and toil and single-minded devotion of her own people. She can scarcely be expected to thank the Japanese warlords, although they by their brutalities have

helped to bring about in a few years what the Chinese leaders themselves had calculated would be a process of generations. China, too, has stood and has held; and to China, too, we and the other United Nations are profoundly indebted.

Here in the United States we still find time to discuss the problems of national solidarity—an indication that we have not yet achieved it.

It is sometimes forgotten that until recently Great Britain and not the United States was the arsenal of democracy. Now, it is true, we have caught up with Britain in the field of production. We are beginning to turn out vast quantities of war materials. With our wealth of material resources, of manpower, and of skills we have accomplished great feats of conversion and production without any considerable sacrifice of even the luxuries to which we are accustomed. But we have only begun to produce what is needed. President Roosevelt has told us that a drastic reduction in our standard of living is necessary to the winning of the war. On September 11 he said, and I quote: "So far the United States has little more than passed the half-way mark towards maximum possible war production. Not until we have reached the maximum,—and we can do this only by stripping our civilian economy to the bone—can our fighting men and those of our allies be assured of the vastly greater quantities of weapons required to turn the tide. Not until then can the United Nations march forward together to certain victory."

Now for the first time we face the loss of some of our material comforts. We are content and more than content to make these small sacrifices. But I am not thinking only of the new cars, the gasoline, the typewriters, and the bicycles which are no longer ours for the purchase price. Victory demands that we sacrifice luxuries to which we are more deeply attached than these. Are we prepared to give up the luxury of personal ambition? The luxury of personal dislikes which satisfy old prejudices? The luxury of casual—and supposedly clever—remarks which cause confusion and distrust? The luxury of irresponsible criticism which leads nowhere? Are we prepared to give up the luxury

of disliking some of our fellow Americans because they are of other races and religions? These luxuries we must give up, and more, before we can even approach, through national solidarity, the power of our allies and that of our enemies.

We must lay aside, too, old prejudices and suspicions—inherited from the past—about our allies. For within the United Nations we are on the same side; we are all fighting the same war against the same enemy and for the same survival and victory. It is absurd to discuss who is to help whom, to talk about "aid to China" or "aid to Russia". For in helping one other we are—every one of us—first, last, and always helping ourselves.

We had better dispense also with the luxury of thinking that we are somehow superior to the rest of the world; that we love freedom more; that we are more devoted to abstract principles of right and justice. My duties have taken me to the far corners of the earth, and my experience has proved—to me at least—that freedom and justice are no monopoly of Americans but are the common aspirations of humanity wherever and whenever men and women have glimpsed these blessings.

Let us divest ourselves once and for all of the fallacy that recurrent wars impose on us the disagreeable duty of pulling Europe's or Asia's "chestnuts out of the fire"; that the New World is pure and the Old World decadent. This kind of muddy, egotistic thinking is a luxury we can ill afford, for it beclouds the simple issues which bind the United Nations together.

These are luxuries which I believe we must give up before we can achieve the solidarity which is a prelude to victory. Are we prepared to make these sacrifices? Are we prepared to dedicate ourselves wholly to the vision of America which Woodrow Wilson put into words 26 years ago?

"America", he said, "is not anything if it consists of each of us. It is something only if it consists of all of us; and it can consist of all of us only as our spirits are banded together in a common enterprise: the enterprise of liberty and justice and right."

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, OCTOBER 29¹

Released to the press October 30]

We are locked in a life or death struggle with an enemy who is still so strange to us that it is difficult to understand how for many decades we have shared the same planet, traversed the same sea lanes, met over the same conference tables, signed the same covenants, and yet have known each other so superficially.

It is high time we understood each other better. Mr. Churchill exclaimed of the Japanese, "What kind of people do they think we are?" We might equally well ask of ourselves, "What kind of people do we think they are?"

We have seen a miniature island empire with less than one twenty-fifth our area and hardly more than half our population lay violent hands on a continent and leap by leap bring several hundred millions of people under her domination. We have watched an apparently inexhaustible tide of men and munitions, of ships and planes pour from that teeming island archipelago. For 11 years we have watched Japan steadily dissipate her strength—and yet grow stronger. For it is a product of wishful thinking to suppose that her successive adventures have weakened Japan's actual or potential strength. The generator of power for conquest is working at capacity. It lacks for the present neither fuel nor directive genius.

In the past year you have heard something of the effects of Japan's military strength. Yet the outside world knows comparatively little of the nature of that strength—knows little of what, in want of a better word, I shall call the "mobilization" of the Japanese people. Today I want to tell you something about that mobilization as I saw it develop during my years in Tokyo.

The story of that mobilization is the story of Japan's conscious effort, under central control, to weld and rivet the entire nation into a single unitary engine of war. But the purpose of that

mobilization was not merely to wage war of conquest; it was designed to place the Japanese Empire on the most scientific and efficient basis possible, for the complete enslavement and exploitation of at least half the world as and after the wars of conquest were won. That this ambition might involve Japan in war with one or more of the great powers was fully realized by her leaders. They therefore resolved to be in a position to exploit to the best advantage every unit of national energy and resource, both human and material, of which they had or of which they might gain control.

To this end, Japan's mobilization has been total. I shall try to convey to you the full meaning of that word *total* as it applies to the wartime mobilization of Japan. Heaven forbid that we Americans should ever experience the physical and mental oppression under which the Japanese people are living today. But if you could be magically transported for a day into that grim land of strength, without joy you would understand something of the meaning of the words *total mobilization*. You would sense the pervasiveness of the militarist spirit. You would observe the completeness with which life has been integrated so that all the resources of the nation, economic, political and spiritual, are poured into the engines of war. You would be appalled at the passionate faith of the people in their destiny: the destiny, as they believe, of a master race ordained to hold other peoples in slavery; a destiny which we would truly interpret as wholly destructive of our hard-won heritage, the rights of man.

You would come back from Japan to this bright and beautiful land of ours as I did, filled with passionate faith in a far different kind of destiny for mankind, a destiny in which all men alike may live their lives in liberty, democracy, and desire at least for common prosperity.

But you would come back, I believe, immensely sobered by the realization of the ordeal which now lies before us. That ordeal not only lies ahead; it is with us now in our daily lives.

Delivered by the Honorable Joseph C. Grew before Associated Industries Meeting, Boston, Mass., Oct. 29, 1942, and broadcast over the Mutual Broadcasting Company.

Our fighting men have stood up to the fury of the Japanese onslaught and have seen face to face the fanatical exaltation with which the Japanese soldier dies rather than surrender. We at home can have only a vicarious experience of the faith and fury of our enemy. We can, however, take very careful stock of his strength on the home front as we, the free citizens of a great democracy, are mobilizing our own home front with a fervor that is born of our faith in the brotherhood of man.

The two mobilizations are superficially alike in their machinery. You will hear me use many familiar phrases such as *rationing* and *price control*. But do not be deceived; in ultimate purpose the two mobilizations are fundamentally different. That fundamental difference of purpose gives me confidence to predict that, in spite of his head start which put us at a serious disadvantage, we shall outstrip our enemy. For it must be remembered that Japan's newest aggressive intentions turned her energies toward conquest as far back as 1931. And even at that time the idea of national mobilization was neither new nor recent. That idea had its roots in the first World War in the passage, during 1918, of the Munitions Industry Mobilization Law, which provided for government control of the munitions industries only. From this small beginning of wartime control of war industries sprang the whole vast and elaborate system which was designed to regiment the life not only of Japan proper but also of her newly stolen and synthesized empire, of Manchuria, of large parts if not the whole of China south of the wall, of Indochina, Thailand, Burma, the Netherlands East Indies, Malaya, the Philippines—and any other territories which the warlords might find essential or profitable to the “co-prosperity sphere”.

It is not necessary to trace the whole administrative and bureaucratic history of the mobilization process over the past 24 years. But I do want to emphasize that the progress was slow and laborious but persistent. It was characterized by trial and error; it was hampered by mistakes and setbacks. It was never free from sweat and sacrifice. It was punctuated and, at times, hastened by brutal assassinations.

During the years immediately after the first World War when Japan made a tentative gesture toward international cooperation, mobilization plans necessarily were in the hands of the military. In 1922 they were relegated to the Census Bureau, where, far from being buried, they were expanded. And then, in 1925, the Shigen Kyoku, or Resources Bureau, was set up which put mobilization planning on a firm and permanent basis.

There is no telling how long national mobilization might have remained in the blueprint phase had not the invasion of China's Manchurian provinces in 1931 thrust the Empire into hostilities on a war scale. The assassination of a liberal prime minister by military terrorists dealt a serious blow in 1932 to Japan's brief experiment in liberal parliamentary government. The roots were too young and from the plant—of alien origin—too little acclimatized to withstand the winds of political corruption, of economic depression, and of political assassination by military fanatics.

The Japanese people now had leaders at the helm who were bent on speeding up the mobilization of national resources. Continual pressure from the military, who were determined to make it a prime instrument of high policy, brought mobilization more and more into the forefront. In 1935 the Okada cabinet set up a Cabinet Inquiry Council, which took up the whole problem. This was replaced in 1937 under the Hayashi cabinet, by the Planning Office which drafted the National General Mobilization Law of 1938, a law which gave the executive such broad, sweeping powers as to men and the legislative powers of the Diet.

The pace was fast but never fast enough to satisfy the militarists. They had not waited for the passage of this law. Mobilization was already well advanced in the form of a series of temporary controls which revealed two distinct aims: economic self-sufficiency and conversion from light to heavy industry.

On the success of these aims depended only the warlords' ambitious plans of conquest but also their vision of post-war Japan as permanently entrenched exploiter of the East. Japan was to become a vast industrial

trison, supporting the armies and fleets which could keep Asia enslaved. Food and raw materials were to be levied from Japan's new subjects, whose task it would be to support and enrich the economically strong but infertile war machine which had conquered them. Last but not least, Japan was to become the master of oriental thought and culture.

So much for the vision of power and glory. The immediate reality was far different. It meant scraping bare the already barren cupboard of the domestic civilian economy and filling the war cupboard to overflowing with every ounce of material wealth and human energy at the regimented efforts of Japan's 72 million people could amass.

Among the earliest controls which the Government imposed were those which regulated the flow of materials entering and leaving the country. Imports were made to serve two purposes only: to build up the war industries and to provide raw materials that could be produced and exported. Superannuated ships were scrapped and reduced to scrap. Oil stocks had to be accumulated, and oil companies in Japan were made to enlarge their storage facilities. The war industries and keep them supplied with raw materials and machine tools. As I have said, the primary object of import trade.

But Japan could not afford to neglect various imports, such as raw cotton, which nourished export trade and provided her with much-needed foreign exchange. The cotton industry continued to thrive—but for export only. The Japanese people saw no more of the products of their own factories, no more of the cotton on which the people depend for clothing, beds, and towels and many other necessities of home life. Since 1938 cotton cloth has been rationed to hospitals and expectant mothers. An inferior substitute made of staple fiber has taken its place. Imports which did not satisfy one or the other of these requirements were discontinued step by step. Foreign luxuries such as coffee, canned foods, woollen goods, and good leather shoes have now become pleasant memories to that small minority of the people who had before been able to afford them.

Exports, as I have said, were carefully controlled and were directed toward those countries where foreign exchange was most needed.

Control of materials on the home front was drastic. The Government first turned its attention to things which were made of imported materials. The disappearance of these was soon followed by the disappearance of home-produced commodities which could be exported. Milk, eggs, butter, cheese, and canned fish were gradually withdrawn from the domestic food supply and shipped abroad.

Salvage of waste materials and increasing use of substitutes are becoming familiar subjects of conversation here in the United States. The Japanese people, traditionally among the most frugal in the world, needed no education along these lines. By a succession of salvaging drives which were labeled "voluntary", the face of Japan has been swept clean of every kind of potential war material. The Government requisitioned old machinery; many temples donated their bells; railway trains were stripped of their trimmings; and I have even seen iron markers being dug out of an asphalt road. This work of collecting was efficiently organized by the neighborhood associations—traditional units of community life—backed by the police and aided by the rag-pickers.

I have stressed Japan's Spartan frugality, and I have indicated that this is a source of her strength. It is, of course, also a source of weakness, for Japan's domestic cupboard has never been well stocked, and there are in Japan no reserves of material wealth such as we in our richly endowed land are only beginning to tap. But it would be gravely misleading to judge the staying power of the Japanese people by their reserves of material wealth. It is far wiser to assess their powers of self-discipline and of adaptation to the rigors of the so-called "new structure", which, on the economic side, at least, can be termed revolutionary. Moreover, Japan now has—taken over since December 7, 1941—at her command the resources of the Philippines, of Malaya, of the Dutch East Indies, and of Burma, in addition to those of the China seaboard and Indochina, which were taken before that date.

The great industrial empires of the Mitsui and Mitsubishi saw the handwriting on the wall in 1936 and submitted to a process of regimentation which is now complete. The Government tells them, as it tells all other concerns, what materials they may buy and how much they may pay for them; what they must make, to whom they may sell, and at what prices. Wages, profits, and dividends are strictly regulated, as well as all operations involving capital funds. Competition is a thing of the past. Control of foreign exchange was imposed in 1937. Price control was begun as far back as April 1938. Japan has gone far beyond the necessities, however stringent, of a wartime economy and has proceeded into a veritable slave economy. We mobilize to win the war; we do not commit ourselves to total and perpetual militarization, as has Japan.

Taxes have pyramided to a height and have reached a complexity which would stagger the imagination of the American taxpayer. Small wonder that the standard of life has deteriorated steadily, bringing hardship to the millions of long-suffering and inarticulate little people.

Not the least of these hardships was the human upheaval caused by the conversion from light to heavy industry. In the new economy of large-scale heavy industry there was no place—except where they could be converted to war—for the home workshop and the small shop employing from 20 to 30 men, where the great mass of labor used to be found. And so there was unemployment—coupled with a shortage of skilled workers and of farm labor. The training and transfer of workers was a slow and laborious process, but it was gradually accomplished. In 1939 the Government required the registration of skilled male workers, and this census is believed to have provided detailed information about the skills of 5 million men in 134 trades. Programs of vocational training in schools, universities, and factories helped to speed up the transfer of workers, and in this process Japan reaped the benefit of her remarkable system of universal public

education, which has made her people as literate as any in the world.

Another device was to decentralize the small units of the new war industries in rural areas so as to make them safer from air attack and more accessible to rural labor. These measures served partially to offset the weaknesses of Japan's labor supply, which as a whole still lacks technical training, imagination, and inventive skill.

Japanese men and women are working around the clock to keep their military machine functioning. They take for granted long hours of work, often exceeding 70 a week. Labor unions and strikes are a thing of the past, and such organizations as the workers may have are sponsored by the Government for its own purposes of regimentation. Wages, particularly in the booming armament industries, are relatively high, but the Government makes every attempt to scale them down through high taxes and enforced saving. Nevertheless, the Japanese have not been able to escape the ravages of inflation. And so, side by side with a small class of the newly rich, which disports itself at the resorts and houses, are the millions of poverty-ridden loyal and uncomplaining subjects of the Emperor, dreaming of the rewards of their sacrifice, not in terms of automobiles and radios but in terms of the glory and immortality of the Empire.

It is possible to understand our enemy Japan only if we understand her dream of conquest, domination, and slavery, for it is this evil dream by which the Japanese people themselves are dominated and have been enslaved. We have seen something of the reality of this dream in the cruelties inflicted on the heroic people of occupied China. We have read of the suicidal fanaticism of the Japanese soldiers on the island of Guadalcanal. But these, it may be said, are the products of a brutal militarism. What of the people at home? What of the men and women who for thousands of years have so proudly extolled the virtues of family loyalty, obedience, and frugality?

the answer lies buried in those thousands of years in which the Japanese people, locked in their feudal fortress, learned loyalty and obedience to authority; years in which they learned experience not to think "dangerous thoughts"—dangerous only because they threatened the security of the ruling clique; years in which they learned to worship authority and to give obedience to it before all considerations of human welfare.

The Japanese people learned their lesson—for the purposes of their tyrants. They gave to the cause of the Emperor with a blind, passionate faith which defies analysis. This, in other words, we call the "spiritual mobilization" of the Japanese people, and it is a source of strength so formidable that we must guard against underestimating its potentialities.

Japan has mobilized, as you see, on all fronts. The commercial and financial mobilization of the country has been intensified by manpower and intellectual mobilization. All the strength and resources of Japan have been sluiced into the channels of warfare. Japan could win—Japan could become rich with the loot of China—Japan could ultimately recompense herself if Japan did not face the indomitable forces of China and America and the other great nations. The Chinese have stood for 11 years—more than 5 of them years of full invasion—against the military assault of Japan. They now are in action beside China, and a score of other nations beside both of us. If our combined effort achieves its full promise, if we answer Japanese slave mobilization with our own free mobilization, we shall win gloriously and well. If we are slow in exerting our full efforts, the victory will recede further and further and will be purchased ultimately at a terribly high cost in blood and disappointment.

The earth which we wish our posterity to inherit can and will be free. The industrial capitalism proposed by Germany and Japan has been voted down by the bayonets of free men everywhere. I would like to close by reading to you words written not long ago by a great British diplomatist, once a colleague of

mine in Tokyo. This man wrote me privately; he spoke simply and sincerely, as a friend and confidant. These are his words—to me they answer the question, Why must we whip a totally mobilized Japan? He told me what to expect when I returned from my months of internment in Tokyo:

"You will find a curious world of difficult re-adjustments, of much disappointment, and even of anger, at the slowness and seeming inefficiency of our war machinery, but also an ever-growing determination to see the job through, no matter what the sacrifice, and a firm conviction, even in the darkest moments, that we shall win in the end and bequeath to our successors a world, much of it ruined, maybe, and having to be built anew, but a world where the spirit of man can grow and develop in freedom."

Europe

NATIONAL HOLIDAY OF CZECHOSLOVAKIA

[Released to the press October 28]

The text of a telegram from the President of the United States to His Excellency Dr. Eduard Beneš, President of the Republic of Czechoslovakia, upon the occasion of the national holiday of Czechoslovakia, follows:

"THE WHITE HOUSE, *October 28, 1942.*

"It gives me great pleasure on this national holiday of Czechoslovakia to send you my hearty felicitations and to convey on behalf of the people of the United States an expression of their sincere good wishes as well as their deep and lasting friendship for the people of Czechoslovakia.

"Defiant to a barbarous oppression and steadfast in their sacrifice, the Czechoslovak people are doing their part toward the victory of the United Nations.

FRANKLIN D ROOSEVELT"

The Near East

GREEK RESISTANCE TO AXIS AGGRESSION

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TO THE GREEK AMBASSADOR AT WASHINGTON

[Released to the press October 29]

Before delivery of his address on October 28 at a meeting in commemoration of Greece's resistance to the Axis, the Under Secretary of State, the Honorable Sumner Welles, read the following message from the President to the Ambassador of Greece at Washington, His Excellency Cimon P. Diamantopoulos:

"THE WHITE HOUSE,
Washington, October 28, 1942.

"MY DEAR MR. AMBASSADOR:

"On the early morning of October 28, 1940, the Fascist aggressors handed an ultimatum to Greece. The challenge was hurled back without a moment's hesitation. This was what might have been expected from a gallant and courageous people devoted to their homeland. You commemorate tonight the second anni-

versary of the beginning of the total resistance of the Greek people to totalitarian warfare.

"More significant, even, than the initial response to the challenge, is the fact that Greece has continued to fight, with every means at its command. When the Greek mainland was overrun, resistance was carried on from the islands. When the islands fell, resistance continued from Africa, from the seas, from anywhere the aggressor could be met.

"To those who prefer to compromise, to follow a course of expediency, to appease, or to count the cost, I say that Greece has set an example which every one of us must follow until the despoilers of freedom everywhere have been brought to their just doom.

"Very sincerely yours,

FRANKLIN D. ROOSEVELT

ADDRESS BY THE UNDER SECRETARY OF STATE¹

[Released to the press October 29]

Out of the welter and carnage of this great world upheaval there shine out resplendent certain noble feats of heroism, fortitude, and gallantry of freedom-loving men and women, which constitute immortal pages in the history of this war to preserve the liberty of the human spirit and the human soul.

Of such is the story of the superb resistance of the Soviet armies last year and the glorious defense this summer of Stalingrad.

Of such is the defiant determination of the British people after Dunkerque; the deathless story of the courage of our own men at Bataan

and at Wake Island; of the long struggle, under the impact of many discouragements and disillusionments, of the Chinese nation to repel the invader; of the brave guerrillas of Yugoslavia against all odds, to keep up the fight against Axis armies and their vassals.

And of such is the magnificent epic of the people of Greece, who for five long months only successfully resisted the superior force of the Italian Fascists but actually routed them.

Two years ago this morning, by an act of shameless Axis treachery of a type which the world in recent years has often experienced, Greece was invaded by the Italian armies.

By their resolute and brilliant resistance the heroic people of Greece shattered forever the hypnotic myth of Axis invincibility. In so

¹ Delivered by the Honorable Sumner Welles at a meeting in commemoration of Greece's resistance to the Axis, Washington, D.C., Oct. 28, 1942.

they restored to the hearts and minds of a, in a particularly dark hour, new courage, determination, and new hope.

In five months a boastful Axis partner was reduced to the status of a German vassal. Hitler was forced to come to the rescue of his battered satellite and to deflect to the Balkans the might of the German war machine. Despite the crushing weight of this second assault Greece still stood firm. With British assistance she held the Nazi hordes at bay for precious weeks, making possible the reinforcement of the Near East and changing decisively, and decisively for Hitler, the timetable of Hitler's attack on Russia.

But, important as were the direct military results of the Greek resistance, I believe that its true decisive import is to be found in the regeneration it brought in the morale of the free-loving peoples. It showed us all that honor and resolution and courage were neither impossible nor dead. It demonstrated that the fitness of the peoples of the earth does not depend upon their numbers. It proved again that those who value their liberty must be prepared to fight for its preservation, no matter how great the odds.

Greece had no hesitations; no reservations at the right; no slightest thought of accepting an Axis-imposed "collaboration". She has aptly called a land of miracles; perhaps the truest test of these miracles is the way she remains true to herself and relives her own heroic past from age to age.

Nine hundred and seventeen years ago, while the Grecian patriots were engaged in the long and cruel struggle which brought independence to modern Greece, Henry Clay, then Secretary of State, gave these instructions to the first diplomatic representative sent by the United States to Athens:

"Upon reaching Greece . . . you will let the governing authorities know that the people of the United States and their Government throughout the whole of the present struggle of Greece, have constantly felt an anxious desire that it should terminate in the reestablishment of the

liberty and independence of that country, and that they have consequently observed the events of the war with the most lively interest, sympathizing with Greece when they have been unfortunately adverse, and rejoicing when they have been propitious to her cause."

Once more Greece is struggling to regain her liberty and independence, and once more the American people throughout this land support her efforts.

Today the swastika desecrates the Acropolis. The birthplace of our modern civilization is defiled by bestial invaders who are stripping the land bare and who are leaving men, women, and children to die of starvation in the fields and in the streets.

It is hard to resist when you are starving. And yet resistance within Greece goes on; resistance by the guerrilla leader in the mountains; by the saboteur behind the invaders' lines; by the boatmen who put out at night from the darkened shores to make possible the escape of Greek patriots so that these may rejoin the fighting troops in North Africa.

To those Greeks upon whom fate has temporarily imposed a vicious tyranny go our sympathy in their suffering; our admiration for their unrelenting resistance; and our pledge that we will leave nothing undone which will hasten the day of victory and liberation.

To those Greeks who escaped the occupation of their homeland to carry on the contest from abroad, goes an expression of our feeling that we are honored to be engaged in this common struggle with such gallant allies and to be renewing again in the brotherhood of arms the bonds of friendship which have always united the Greek and American peoples.

It would be difficult to exaggerate the extent of the interest and sympathy aroused in the United States by the heroic Greek resistance which we here commemorate. As in the days of the Greek War of Independence, meetings were held in every State, and a nation-wide Greek War Relief Association was called into being, which has received and continues to receive the active support of the American people.

The President has found the defense of Greece vital to the defense of the United States and has declared her eligible for lend-lease assistance.

Unhappily the conditions of the war now limit and hamper the extension of the full assistance which those in Greece so dreadfully need and which we would so gladly give in recognition of the debt of gratitude which we owe for the example of loyalty and courage which they have given us. What we can do without helping our common enemies we are doing and will continue to do.

Just before Hitler was compelled by the Greek defeat of the Italian Fascists himself to invade Greece, there was published in the press of Athens that famous open letter to the German dictator whose words can never be forgotten:

"Small or great, that part of the Greek Army which can be sent there will stand in Thrace as they have stood upon Epirus. There they will await the return from Berlin of the Runner, who came five years ago to light the torch at Olympus. We shall see this torch light a fire, a fire which will light this little nation, which has taught all other nations how to live, and which will now teach them how to die."

No nation from whose soul have been wrung those words can ever die.

Of one thing I am sure: when our common victory has been won, the free and independent people of Hellas will once more assume their proud and rightful place in the family of nations, and Greece will regain her territorial integrity and the achievement of her legitimate aspirations for security in the world of the future. For our victory must surely likewise bring as its consequence a world order in which every nation, small or great, weak or powerful, can live in safety and in peace and without fear.

Until that new day dawns the people of Greece will, we know, never falter in their fight for freedom, for they have indeed fought the good fight. They have shown all mankind the great truth that if you love liberty enough to

hold all else as trivial in comparison to it, no brute force nor any other power can ever permanently take it from you.

ANNIVERSARY OF THE TURKISH REPUBLIC

[Released to the press October 29]

The text of a telegram from the President of the United States to His Excellency Ismet Inonu, President of the Republic of Turkey upon the occasion of the anniversary of the founding of the Turkish Republic, follows:

"THE WHITE HOUSE, October 29, 1942.

"It gives me particular pleasure to send Your Excellency my warm personal felicitations on this anniversary of the founding of the Turkish Republic, and to extend on behalf of the people of the United States their most cordial wishes for the continued well-being of the Turkish people. The Turkish Republic has been outstandingly fortunate, during the nineteen years since its establishment, in enjoying the guidance of great leaders. My congratulations to the Turkish people on this auspicious occasion are linked with my sincere confidence in their future, under the wise direction of Your Excellency's Government.

FRANKLIN D. ROOSEVELT

[Released to the press October 29]

The Secretary of State made the following remarks on October 29 to a group of distinguished Turkish journalists who called upon him at the Department:

"I have particular pleasure in welcoming today five distinguished representatives of Turkish press. The occasion is a notable one for today is the nineteenth anniversary of the founding of the Turkish Republic on October 29, 1923.

"During the past 19 years Turkey has established an outstanding reputation for the correct and orderly conduct of its international relations. In 1936, for example, at the v

ne when certain other nations were disregard-
so flagrantly their treaty obligations, Tur-
called a conference of the interested na-
at Montreux for revision of the treaties
taining to the Dardanelles. I am happy to

reflect today the most favorable impression
which Turkey has created in the United States
by the consistently correct and able manner in
which the Republic's foreign affairs have been
conducted."

International Conferences, Commissions, Etc.

INTER-AMERICAN CONFERENCE OF THE ASSOCIATED COUNTRY WOMEN OF THE WORLD

ADDRESS BY VERNON E. BUNDY¹

COUNTRY WOMEN IN A NEIGHBORHOOD OF NATIONS

ased to the press October 31]

AM CHAIRMAN AND LADIES:

adds much to my own satisfaction, in being
ent at this conference, that I am entrusted
a message to you from the Honorable Cor-
Hull, United States Secretary of State.
ary Hull's message, addressed to the
ed States Liaison Committee of the Asso-
d Country Women of the World, is this:

t gives me pleasure to send my greetings to
representatives of the Associated Country
men of the World and to congratulate you
having assembled to cooperate in plans
actions to meet the gravest emergency and
severest test that freedom-loving peoples
ever faced.

our conference at this time exemplifies the
ed effort in which the United States and the
United Nations are joined to defend our
re, our liberties, and our very lives. We
ombating a barbarous onslaught by Axis
ssors who would rob, enslave, and de-
us.

ivered at Kansas City, Mo., Oct. 31, 1942, at a
ence sponsored by the United States Liaison
ttee of the Associated Country Women of the
Mr. Bundy is with the Division of Commer-
policy and Agreements, Department of State.

"The blight of the aggressors has fallen in
terrible form upon the farm and city homes of
many lands. Its menace hangs over every home
in the world. Even as the threat is to all our
homes, so we, men and women of each of the
United Nations, are one in our resolve to hasten
victory and to make the most of the opportunity
which will then be open to us to build a better
world."

Here ends Secretary Hull's message.

The letter inviting the Department of State
to send a representative to your conference con-
tained this sentence: "Rural women wish to have
constructive attitudes and to do anything pos-
sible to promote the Good Neighbor policy on
this hemisphere. They also wish to think con-
structively about other nations, including the
post-war situation in regard to the United Na-
tions and also toward the people of the nations
with which we are now at war." Now this as
a guide to what I was to try to say here today
provided wide latitude, in fact a rather breath-
taking degree of latitude.

It seemed that, before coming here to suggest
what direction your attitudes and thinking
should take, it would be wise to examine a little
the available evidence on your present attitudes
and on how those attitudes are being expressed

and implemented. Since the home-demonstration service of the Federal and State Agricultural Extension Services is an important and typical part of the organization of the Associated Country Women of the World, and since statistical and other reports relating to their work were readily available I turned to those reports—and not, I may say, for the first time. I was impressed, but not surprised, to find that in 1941 more than two and a half million American families had been influenced in their home lives through the home-demonstration projects, and that well over one million American women and girls are members of organized home-demonstration clubs and groups. But I was impressed, as I have always been impressed, with the nature of the work done in these groups and especially with the way in which it is done.

The outline of extension projects points the direction which the attitudes of American country women have taken, whether or not the particular group in question happens to be a home-demonstration group. The statistics on these projects give evidence of the extent and vigor with which rural women are giving dynamic expression to their attitudes. The method—I mean the fact that you work together, cooperatively, helping one another, depending upon local leadership wherever possible—also reveals much about your attitudes and about the thinking in the farm homes of America. It offers assurance that those attitudes and activities will be applied not only to the affairs of rural homes but to the national and international problems of this country and of the United Nations—indeed of all nations—in the winning of the war and in the post-war period.

Ranking high among those problems, of course, is the problem of producing war materials and food. Production has always been the business of the farm home. It was not surprising to note increases in the number of groups formed for the purpose of increasing production of farm goods. Results of their efforts are reflected in the current reports of the Department of Agriculture on higher production of eggs and poultry, dairy products, pork, and other foods. The 1942 figures are vast, but for

me they reflect not so much columns of statistics as mental pictures: pictures of farm women setting extra hens and going out in the rain to bring in baby chicks for which there isn't enough room in the brooder, parking them under the kitchen range; pictures of farm women milking cows, separating milk, and feeding pigs so that the farmer whose hired man has gone to the Army can stay in the fields for extra hours; pictures of farm women and farm men doing chores by lantern light after it is too dark to see the furrows and again before it is light enough to see.

And it is not that farm women and men are doing that with thought only for themselves, or even for their own countrymen alone. The foodstuffs from American farms and ranches are going in thousands of tons to the nourishment of other men and women in other friendly countries, whose need is vastly greater than our own, even when we have begun to pinch a little bit, as we have just begun to do. There, it would seem, is a fair example of the attitude of rural women translated into action on an international problem.

Similarly, attitudes are expressed in projects for saving, for making things do, for canning and preserving, for collecting scrap. Thousands of groups of farm women are doing these things cooperatively as a part of a national and an international program. The national nutrition program for making strong the American family to meet the tests and the tasks of wartime is a notable effort.

Your letter mentioned the good-neighborly policy on this hemisphere. That policy is more than the extension of the policy which prevails in the average rural neighborhood; it is a policy tested and found to be the only effective one. In 1941 community-service projects were carried on by nearly 50,000 community groups in 2,400 counties of the United States: in operation with the Red Cross, cooperating in making and assembling garments for suffering children in foreign countries, cooperating in collecting vegetable seeds for the gardens of England. These are all good-neighborly policies, and translating them into international

is only a matter of geographical extension, not a matter of change in principles. Underlying all these activities is the necessity of understanding: understanding your neighbor across the fence or across the ocean and knowing his problems are and how he is attempting to meet them. Outstanding among the activities of rural women, particularly in the past few years, has been the rapid development of study groups and study projects and of conferences like this, whereby rural women are learning more and more about the world neighborhood in which they are living. There has been tremendous advance in the interest of farmers in such things and in their knowledge of the affairs of other countries. To that remarkable advance, it would seem, can be credited much of the sound thinking and the vigorous activity which characterize the program of the homemaker today.

Of course, that big neighborhood, the world, is rapidly growing smaller, just as a rural community grows smaller and neighbors come closer, through the development of communication and transportation. Even with gas and rationed and with priorities on telephone service, we live closer together in the country than we did yesterday. The same thing is true as regards the world. When we must live close together, it is better to be good neighbors than bad neighbors.

I come to you today without any radical recommendations about changing the direction of our thinking or suggestions for reorienting our attitudes, as they are revealed by your action in your own neighborhoods. But it is only foolhardy to say that there is not on the immediate horizon any indication that the time is near when the activities expressing those attitudes will be relaxed. That implementation must be continued and intensified. The war must be won along these lines and the tasks of reconstruction, little less difficult, will follow. We must win the war and establish the peace through hard application of the same principles of mutual understanding, friendly cooperation, and hard work. This will not be for our welfare alone but for the ultimate welfare of all the

world. We have learned, or must learn, through bitter experience, that whether we like it or not we, as individuals, as families, as groups, and as nations must live together and in part for each other. What is bad for one is not good for all. Never in history has this plain, unvarnished fact been more apparent.

I hope you will not consider me a soulless materialist if I dwell upon the subject of international economic relations—of international commercial policies. I shall do so not only because I am a little more at home in that field but because of several other vastly more important reasons. Economic conditions are basic to and heavily influence many spiritual and ethical attitudes. Furthermore, economic and commercial relationships among nations closely touch and directly affect every farm and city home to a greater degree than do cultural and political relations among nations. Believe me, I am not depreciating the importance in the rural community or in international relations of mutual tolerance, respect for the rights of others, avoiding racial or religious prejudices, education. All these things are essential to good neighborliness and good lives.

What I am trying to say, however, is that all these things are easier for us to attain when our own economic status and our economic relations with others—on the next farm or on another continent—are satisfactory. As it is true of individuals so it is true of peoples that only those who are free to labor and produce goods and services, free and secure to enjoy the fruits of their labor to the fullest possible extent, are truly free in spirit.

We of the United States, in common with those of other nations, desire to enjoy the "four freedoms". The freedoms of thought, of speech, and of worship are more attainable and more secure if also we have freedom from want—which means the highest possible standard of living for every family in every country, up to its capacity to produce and contribute to human welfare.

This is true even as regards the nations with which we are now at war. The present rulers of these nations, it is true, cannot plead for

themselves desperation under poverty and want. Their course is dictated by insane and brutal lust for power and ruthless determination to dominate. They wage war to take by force what belongs to others, simply because they think they are strong enough to do so. Economic security for those leaders themselves would be no bar to their mad purpose. We know that now, having learned it the hard way.

But if the common people of Europe—even those of the Axis nations—after the first World War had enjoyed better economic and living conditions Hitlerism would have been retarded even if not wholly prevented. Want and insecurity among the common people of Europe furnished the reeking hotbed in which the noxious weed of totalitarianism flourished.

When victory has been won, there must be a reckoning and a severe one. All the peoples of the United Nations who are now suffering under the horror of this war demand that, when the might of the aggressors has been crushed, the nations and the leaders who have perpetrated this monstrous evil must be rendered forever impotent to repeat it. There must be punishment of those guilty of war-making and of barbarities. That is a matter for judicial action. There must be such measures of disarmament and powerful international control as will force the keeping of the peace by those who would otherwise break it. That is the common resolve of all the United Nations. We can ask no less.

But in dealing out this justice and in making peace secure we must take no measure which will rebound against us and our own welfare in the future. We must not again create fertile soil and sow it with dragon's teeth to rise again in another generation to assail freedom and good-will and human decency.

In the after-war world we all want the highest possible standards of living—for ourselves, for our neighbors in this hemisphere, and for all the United Nations. And we want them as well for the common people of nations now our enemies, so that when their present leaders have been brought to book they can again become part of the civilized world and we never again shall have to spend our substance and shed our blood

to crush a menace from them to our own liberties.

Winning the war is not our only present urgent task. We are not allowed to decide whether we will win the war now or plan for the post-war world now. We must do both, and they are one task. What we do in prosecuting the war determines in part the kind of world we shall have after the war. What we do now toward building a secure peace on strong economic foundations affects the winning of the war. The help we give our allies now and promises we give now of cooperating in establishing a new and better world after the war are strengthening their courage and their hope and their confidence. That is helping them help us fight the war. The plans we make now give hope even to the nations that are overruled by the Axis and make them more alert and anxious to weaken and destroy their enemies and ours at every opportunity. It is not possible that even common people in the Axis countries, helpless and driven by their brutal leaders, are now considering whether the war we propose would be better than that offered them by their masters, whose promises have grown thin with repetition and lack of fulfillment.

Granted that we do want the highest possible living standards for all countries after the war, what shall we do to bring them about? Part of the answer must come from every individual home—farm or city—in the United Nations. The task can be accomplished only by the attitudes of cooperation and tolerance, clear-sighted self-interest, revealed so often in American farm homes and communities, brought to bear upon the economic problems of the United Nations.

The United States must take a leading part in this task: First, because of self-interest, for a prosperous world; second, because of our strength and therefore our great responsibility. We cannot avoid this responsibility if we wish to ensure a better world after the war; if negative our influence would be fully as strong in the opposite direction.

the statement of war aims in the historic Atlantic Charter has been subscribed to by all United Nations. Moreover, in mutual-aid agreements with a growing number of countries and they have promised to take "... agreed on ... open to participation by all other countries of like mind, directed to the expansion by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and well-being of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers ... "

These mutual pledges of cooperation in the economic field recognize the interdependence of nations, as sources of supply and as markets. The highest possible living standard within a country and throughout the world requires the greatest possible volume of physical goods to be produced and that the greatest possible number of people have employment and living power. The more goods there are, the more wants can be satisfied. If the greatest possible total volume of goods is to be produced, each individual and each country must produce the things he or it is best qualified to produce. In the case of an individual that qualification may be the possession of a certain type of soil on his farm or a certain skill or aptitude or training in his craft. For a nation it may be the possession of certain combinations of natural resources or an advanced state of development in its industries. There is great difference in the types of farms and the crops for which they are adapted. There is likewise a great difference among nations. The main economic problem in the period between the wars grew out of the multitude of barriers to the exchange of goods, both within countries and between countries.

Every individual and every nation is going to produce those things he or it is best qualified to produce, in order that there may be the greatest total quantity of goods, then men and nations must exchange their own goods and services for the goods and services of others. And the exchange must be on a fair and equitable basis of value given for value received. In the

modern world no nation and no individual can be completely self-sufficient, except at the lowest possible level of subsistence. We need many things from foreign countries, both raw materials with which to produce our manufactured goods and products with which to maintain our own health and comfort. Some things, or substitutes for them, we can obtain or produce in our own country but only at disproportionate and uneconomic cost in raw materials or in labor.

All this is about the import side of the picture, about the reasons why we must have certain things from abroad. What are the reasons why the United States must export its own products? One perfectly apparent reason is that we can pay for the imports we want, in the most efficient and profitable way, with exports of our specialties. Another, perhaps equally important, reason for exports is the desirability of full employment of our resources and our productive capacity. If American farms and factories are going to operate at maximum capacity so that our farmers and our workmen are profitably employed and able to earn and to share in the goods of the world, if our natural resources are to be transformed into the greatest possible volume of material goods, we must export. The capacity of this country to produce many important agricultural and manufactured products is greater than the capacity of our own consumers to use them profitably. That, of course, does not mean that everybody in this country now has all that he wants of everything, but it is nevertheless true that we can more than supply our own needs for many things. We can turn out, for example, more wheat, cotton, corn and hogs, typewriters, radios, automobiles, and many other things than can be sold in this country at remunerative prices.

That portion of these things that exceeds our own practical levels of domestic consumption must go abroad. Otherwise it either accumulates here and depresses domestic markets to unremunerative price levels or production will be cut down, unemployment will occur, and living standards will drop in this country by just the degree to which we fail to turn out

things we are well qualified to produce, to be exchanged for other things which we want and which other countries produce to better advantage.

We must ask ourselves the same question about our exports that we asked about our imports, in reverse. That is, how are we to be paid for them? And we get the same answer that we got in the other case. They must be paid for in goods or services from foreign countries. That, in fact, is the only way at present in which we can be paid for them. Other countries have very little of the world's gold, even if we were able to use additional gold to good advantage. We can and probably shall extend them credits which will enable them to obtain some goods and services from us without immediate payment in their goods and services, their main source of dollar purchasing power. However, in the long run, nations, like individuals, must balance goods and services rendered against goods and services received. Imports into the United States are the only practical means whereby foreign countries can acquire enough dollars to purchase our goods and enable us to keep up our production. Foreign purchases of our goods create employment in the United States and thereby support our domestic market generally as well as our foreign market.

When we and other countries, between the two wars, adopted restrictive trade policies which destroyed trade in each other's commodities, we not only lost our foreign markets but we saw our domestic buying power impaired and our domestic economy at depression depths.

Exchange of goods among individuals and among nations should be, as I have said, on a fair, equitable, and non-discriminatory basis. Trade should not be subject to oppression and compulsion because one group or one nation seeks to take advantage of other groups or other nations. Uneconomic, discriminatory, and excessive trade barriers imposed for the immediate advantage of one group inevitably injure other groups and the country as a whole. This does not mean that we should abandon all restraints on international trade. We and most other

countries have legitimate sanitary restrictions on imports, anti-dumping laws, and other measures designed to prevent recognized abuses. The vast majority of American producers have little to fear from fair competition from any other country in the world.

When tariffs and other trade restrictions are used selfishly for the short-term benefit of a few at the expense of the vast majority of producers and all consumers, they become obstacles to the maximum production, exchange, and utilization of "goods which are the material foundation of the liberty and welfare of all peoples" and they defeat the aim of high living standards for all.

For the past 8 years the United States has been making substantial progress, in cooperation with other nations, toward reduction of uneconomic, discriminatory, and excessive trade barriers which had come into being, largely during the years between the wars, to burden international commerce and depress living standards throughout the world. This has been accomplished through the program of reciprocal trade agreements provided for by the Trade Agreements Act of 1934, which authorized negotiations with other countries for removal and reduction on both sides, of such barriers. The act authorizes modification, by not more than 50 per cent, of United States tariffs and other impositions in return for corresponding concessions by the other country. Under the authority of this act, twice extended for additional 3-year periods, such agreements have been concluded with 24 foreign countries. Negotiations with other countries are pending now.

These agreements have brought results in the form of increased foreign trade, to the mutual advantage of the participating countries. The statistical evidence of this improvement is, of course, now obscured by war even as trade in general is restricted and controlled by wartime measures and needs. But it was evident before the outbreak of the present hostilities that in reducing some of its own tariff barriers in trade agreements the United States had not only succeeded in obtaining the reduction and removal

tariffs and barriers imposed upon our exports by foreign countries but had increased our purchasing power for American goods thereby employment and buying power of American consumers on the domestic market.

Embodied in the act of 1934 is the unconditional most-favored-nation principle which has been basic in the foreign commercial policy of the United States for many years. Under this policy the United States applies the reduced rate of duty on certain products provided for in a trade agreement to the like products of countries not found to be discriminating against United States trade, and many other countries give us the same fair treatment. In the period between wars, when trade discrimination among nations had become all too prevalent, this policy protected United States exports from innumerable discriminations.

Trade agreements now in effect and in prospect assure of sounder economic relations between the United States and other countries, now and after the war. They help to make specific the details of the kind of international economic relationships which we believe are worth fighting for. In due course we will also, in cooperation with the other United States, make real and specific the details of the aspects of our international economic relationships—in the monetary and exchange fields, the field of international investments, and in related fields.

In 1937 and again in 1940 the Congress renewed, each time for a 3-year period, the authority contained in the Trade Agreements Act of 1940, under which reciprocal trade agreements are negotiated. On both occasions the Senate acted only after careful deliberation and examination of the fundamental soundness of the program, the effectiveness of its administration, and the value of its results. On both occasions, however, there was opposition, both open and subtle—to its extension. The renewal voted by the Congress in 1940 will expire on June 12, 1943. In a very few months, therefore, there will be another test to determine whether this country will continue to follow

the realistic and sensible policy which for 8 years has benefitted American agriculture, industry, and trade.

This time the decision has even greater worldwide significance than on the previous occasions. It must be the right decision if the economic objectives of the Atlantic Charter, to which all the United Nations have subscribed, are to be fulfilled. Furthermore, in mutual-aid agreements our government and the governments of nearly half the other United Nations have pledged themselves specifically to take agreed action to reduce tariffs and other trade barriers and to eliminate all forms of discriminatory treatment in international commerce.

In view of the momentous significance of the choice we are to make, surely the awakening awareness of American citizens, including your own organizations, toward our international economic opportunities and responsibilities will lead to the determination not to repeat our tragic economic errors of the years between the wars.

The winter of 1942-43 is destined to be a time of crisis for all the world. The fate of all nations will turn upon military decisions and upon the establishment of such a peace as alone can make victory worth what it will cost. The main pillar in the economic base for such a peace is removal of uneconomic and unjust obstructions to commerce among nations. Because the United States is, economically, the most powerful nation in the world its decision this winter to go forward with the reciprocal-trade-agreements program will be an epochal step in world history.

General

ANNIVERSARY OF THE BALFOUR DECLARATION

[Released to the press October 31]

In commemoration of the twenty-fifth anniversary of the publication of the Balfour Declaration by the British Government on November

2, 1917,¹ a memorandum was presented to the Secretary of State by a group of Rabbis. Secretary Hull observed that the Balfour Declaration had aroused wide attention in the United States and that this country had followed with interest and sympathy the work which had been done under it, in which American citizens have played a useful part. He added:

"This country was shocked and outraged, when tyranny and barbarity again commenced their march, at the brutality which was inflicted on certain races, and particularly on the Jewish populations of Europe. Apparently no form of abuse has been too great, and no form of torture or oppression too vile, to be meted out to these populations by the Nazi despots. And in taking this attitude toward the Jewish race they have made it plain by concrete acts that a like attitude would be taken toward any other race against whom they might invent a grievance.

"The Jews have long sought a refuge. I believe that we must have an even wider objective; we must have a world in which Jews, like every other race, are free to abide in peace and in honor.

"We meet today when the battle for freedom is being carried on in the East and in the West and our every effort is concentrated on a successful issue. We can with confidence look forward to the victory when liberty shall lift the scourge of persecution and the might of the United Nations free mankind from the threat of oppression.

"Of all the inhuman and tyrannical acts of Hitler and his Nazi lieutenants, their systematic persecution of the Jewish people—men, women, and children—is the most debased. The fate of these unhappy people must be ever before us in the efforts we are making today for the final victory; at the moment of triumph under the terms of the Atlantic Charter the United Nations will be prepared not only to redeem their hopes of a future world based upon freedom, equality, and justice but to create a world in which such a tragedy will not again occur."

¹ 1917 Foreign Relations, Supp. 2, p. 317n.

The Department

DEATH OF DR. WILLIAM RAY MANNING

[Released to the press October 28]

Dr. William Ray Manning, who retired recently after many years of service as an official of the Department of State, died on October 27 at his Washington home.

The Secretary of State has addressed the following letter to Mrs. Manning:

"MY DEAR MRS. MANNING:

"I am greatly distressed to learn of the death of your distinguished husband, who was held in such high esteem by myself and by many friends in the Department and in the Foreign Service. He was an exceptionally valuable employee of the Department of State for many years. His work always reflected his scholarly attainments, a wide experience and a profound knowledge of foreign affairs.

"My associates and I extend our heartfelt sympathy to you and the members of the family in your irreparable loss.

"Sincerely yours,

CORDELL HULL

Biography: William Ray Manning—F. D. I. diplomatic documents; b. Home, Kans., Dec. 1871; s. Enoch and Mariva (Stone) M.; M.A., Baker U., 1899; fellow and asst., English history, U. of Kans., 1901-02; A.M., 1902; and asst., European history, U. of Chicago, 1902-04, Ph.D., 1904; studied in hist. at Seville, Madrid, Paris, and London, m. Mabel Marvel, May 26, 1903; children—Nancy, Dorothy, and Winston Marvel, Neva Pa. Instr. economics and history, Purdue U., 1907; asst. prof., American history, U. of Chicago, 1907; asst. prof., diplomatic history, Coll. Polit. Sciences, George Washington U., 1907-10; adj. prof., Latin-American history, U. of Tex., 1910-17, assoc. same, 1917-19; official Dept. of State, Washington, since 1918. Lecturer on Latin-American history and internat. relations, American

1934. Engaged in historical research work Carnegie Instn., summers, 1908, 1909, 1910; late research work in archives of State Dept., Washington, summer 1911, in archives of Relaciones Exteriores, Mexico City, summer, 1912, in Library of Congress, Washington, summer, 1913; Albert Shaw lecturer in diplomatic history, Johns Hopkins, spring 1913. Technical adviser U. S. delegation, 3d Pan American Highway Congress, Santiago, Chile, 1939. Member, National Geographic Society, American Society of International Law, American Historical Assn. (was winner, 1904, of its Justin Smith Morrill prize, with U. of Chicago doctoral dissertation, *The Nootka Sound Controversy*, 1905). Author: *Early Diplomatic Relations Between the United States and Mexico* (Shaw lectures), 1907; *Editor: Arbitration Treaties Among the American Nations*, 1924; *Diplomatic Correspondence of United States Concerning the Independence of Latin-American Nations*, 3 vols., 1925-29; *Diplomatic Correspondence of the United States: Inter-American Affairs, 1831-1860*, 12 vols., 1932-39. In recognition of the value of two publications, decorated, National Order of Merits, Govt. of Ecuador, 1935. Editor: *Diplomatic Correspondence of the United States: Canadian Relations, 1784-1860*, 4 vols., 1940; vol. 2, 1942).

APPOINTMENT OF OFFICERS

Frank P. Lockhart, a Foreign Service officer of class I, was designated Chief of the Division of Philippine Affairs, effective October 2 (Departmental Order 1103).

The Foreign Service

AL INSTRUCTION FOR FOREIGN SERVICE OFFICERS ON PHASES OF ECONOMIC WARFARE

1 to the press October 26]

A first group of Foreign Service officers returned back from their posts in the other American republics by the Department of State

to undergo an intensive course of instruction in economic work arising from the war is in Washington this month. At least three similar courses are planned for 1943. In addition to 18 officers specially ordered to return from their posts, the school is attended by 10 Foreign Service officers recently brought back from the Far East and now assigned to Latin American posts and by 21 newly appointed Foreign Service Auxiliary officers.

Several other Government agencies, including the Board of Economic Warfare, the Treasury Department, the War Production Board, and the Office of the Coordinator of Inter-American Affairs, are giving these officers an opportunity to study their operations at first hand. The greater part of the instruction, however, is being given by officers of the Division of World Trade Intelligence, the American Hemisphere Exports Office, the Foreign Funds Control Division, and the Division of Defense Materials, of the Department of State. The subject-matter includes export control, export licenses, problems connected with the supply to the other American republics of their essential requirements, allocations to them of certain scarce materials, the various financial controls enforced by the Treasury, the operation of the Proclaimed List of Certain Blocked Nationals, and the program of acquisition by the United States of strategic materials.

In all these fields the Department of State, in connection with guiding our foreign relations and conducting negotiations with the governments of our sister republics, and the other departments and agencies of our Government charged with the actual operation of these various phases of economic warfare have made very heavy demands upon our Foreign Service. The staffs of our missions and consular offices in the other American republics are constantly being strengthened to carry this additional burden.

Realizing the vital importance of this work in the prosecution of the war and in the maintenance of hemispheric solidarity and the need for personal contact with the various Government agencies concerned, the State Department decided to bring to Washington at periodic in-

tervals field officers in charge of various sections of this economic work. It has been found that the normal methods of instruction by mail and telegraph are inadequate to enable these officers to keep abreast of policy, developments, and procedure. Two somewhat similar courses have been held previously this year for new appointees to the Foreign Service Auxiliary, prior to their departure for their posts.

Immediately after the close of the course on October 31 the officers will proceed to their posts.

Publications

DEPARTMENT OF STATE

Commercial Relations: Agreement Between the United States of America and the Union of Soviet Socialist Republics Continuing in Force the Agreement of August 4, 1937, and Text of Agreement of August 4, 1937—Agreement effected by exchange of notes signed at Washington July 31, 1942; effective August 6, 1942. Executive Agreement Series 265. Publication 1813. 8 pp. 5¢.

Detail of Military Officer To Serve As Adviser to the Minister of Foreign Affairs of Panama: Agreement Between the United States of America and Panama—Signed July 7, 1942; effective July 7, 1942. Executive Agreement Series 258. Publication 1814. 10 pp. 5¢.

Waiver of Passport Visa Fees: Agreement Between the United States of America and Argentina—Effected by exchange of notes signed April 15, 1942; effective June 1, 1942. Executive Agreement Series 266. Publication 1819. 5 pp. 5¢.

Publications of the Department of State (a list cumulative from October 1, 1929). October 1, 1942. Publication 1820. iv. 33 pp. Free.

Military Mission: Agreement Between the United States of America and Bolivia—Signed August 11, 1942; effective August 11, 1942. Executive Agreement Series 267. Publication 1821. 12 pp. 5¢.

Repatriation and Hospitalization of Prisoners of War, Reciprocal Application of the Model Agreement Annexed to the Convention Signed at Geneva July 27, 1929: Arrangement Between the United States of America and Germany—Effected by exchange of notes

between the Secretary of State and the Minister of Foreign Affairs of Switzerland at Washington, in charge of German Interests, dated March 4 and 30, 1942. Executive Agreement Series 255. Publication 1822. 2 pp.

Legislation

Amending the Nationality Act of 1940:

S. Rept. 1664, 77th Cong., on H. R. 4167 [extending provisions for naturalization of certain aliens during the World War]. 2 pp.

S. Rept. 1665, 77th Cong., on H. R. 6250 [to amend materially the Government in national defense]. 6 pp.

Amending Subsection (C) of Section 19 of the Naturalization Act of February 5, 1917, As Amended: S. Rept. 1666, 77th Cong., on H. R. 6450 [to permit Attorney General to submit suspended deportation cases to the Congress more frequently than once a year]. 2 pp.

Treaty Information

POSTAL

Universal Postal Convention, 1939

French West Africa

The American Consul at Dakar reported a despatch dated August 25, 1942 that the *Journal Officiel de L'Afrique Occidentale Française* of August 22, 1942 published the Resolution of the Government General, No. 2799 A. P., of August 10, 1942, making effective in French West Africa the French Government's Decree No. 1612, of June 1, 1942, promulgating the Universal Postal Convention and subsidiary arrangements signed at Buenos Aires on March 10, 1939.

The agreements which became effective in French West Africa are the convention concerning letters and parcels of declared value, the arrangement concerning parcel post, and the arrangement concerning postal money orders.

U. S. GOVERNMENT PRINTING OFFICE: 1942

For sale by the Superintendent of Documents, Washington, D. C.—Price 10 cents - - - - Subscription price, \$2.75

PUBLISHED WEEKLY WITH THE APPROVAL OF THE DIRECTOR OF THE BUREAU OF THE BUDGET

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THE DEPARTMENT OF STATE BULLETIN

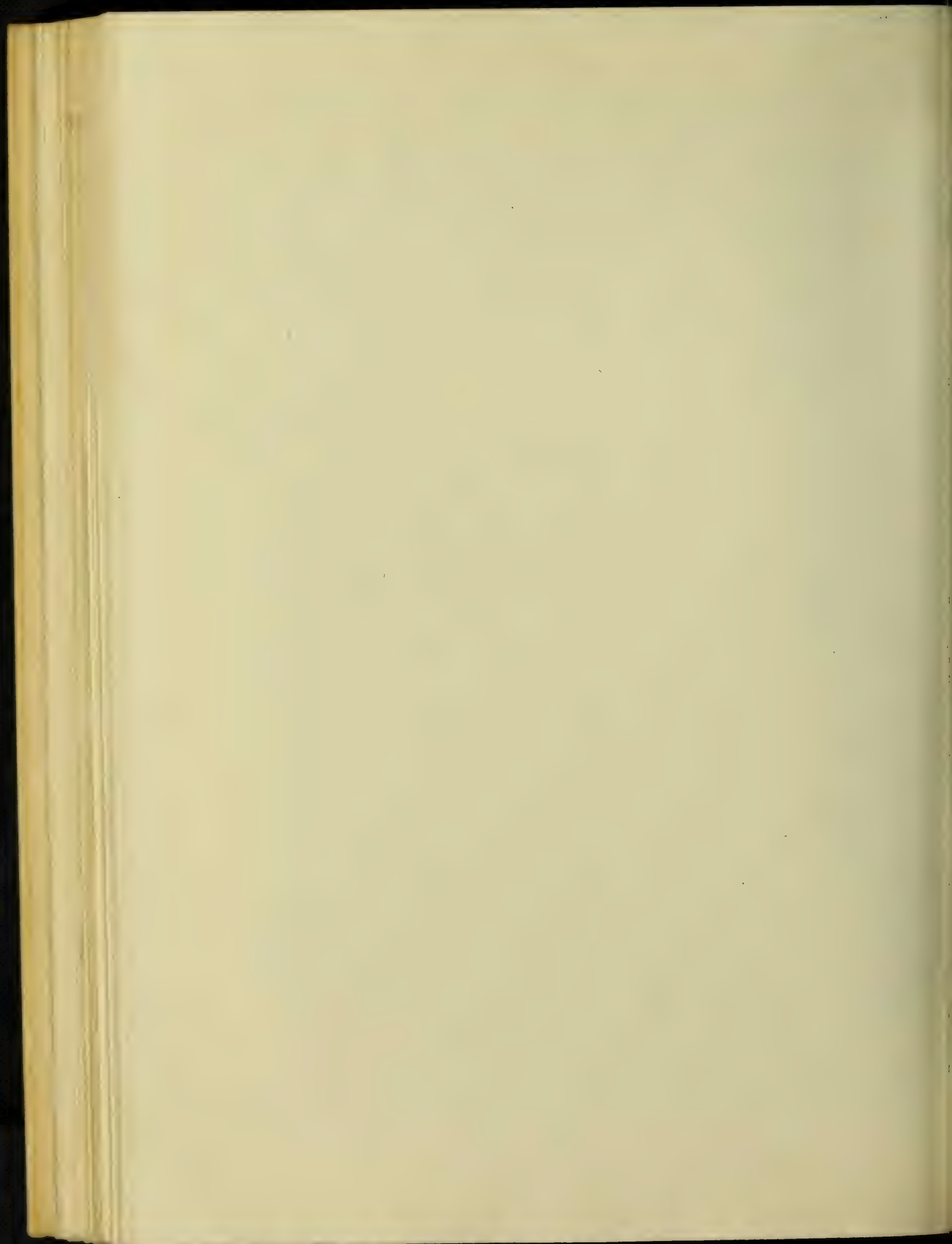
NOVEMBER 7, 1942

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the War

AMERICAN MILITARY OPERATIONS IN FRENCH NORTH AFRICA

STATEMENT BY THE WHITE HOUSE

ed to the press by the White House November 7]

order to forestall an invasion of Africa by any and Italy, which, if successful, would constitute a direct threat to America across the relatively narrow sea from western Africa, a powerful American force equipped with adequate weapons of modern warfare and under American command is today landing on the Mediterranean and Atlantic coasts of the French colonies in Africa.

The landing of this American Army is being supported by the British Navy and air forces and will, in the immediate future, be reinforced by a considerable number of divisions of the British Army.

This combined allied force, under American command, in conjunction with the British campaign in Egypt is designed to prevent an occupation by the Axis armies of any part of eastern or western Africa and to deny to the enemy nations a starting point from which to launch an attack against the Atlantic coast of the Americas.

In addition, it provides an effective second-front assistance to our heroic allies in Russia.

The French Government and the French people have been informed of the purpose of this expedition and have been assured that the allies seek no territory and have no intention of interfering with friendly French authorities in Africa.

The Government of France and the people of France and the French possessions have been requested to cooperate with and assist the American expedition in its effort to repel the German and Italian international criminals, and by so doing to liberate France and the French Empire from the Axis yoke.

This expedition will develop into a major effort by the allied nations, and there is every expectation that it will be successful in repelling the planned German and Italian invasion of Africa and prove the first historic step to the liberation and restoration of France.

RADIO MESSAGE OF PRESIDENT ROOSEVELT TO THE FRENCH PEOPLE

ed to the press by the White House November 7]

In connection with current military operations in French North Africa, President Roosevelt has broadcast by radio to the French the following message in French:

My friends, who suffer day and night, under the crushing yoke of the Nazis, I speak to you as one who was with your Army and Navy in

France in 1918. I have held all my life the deepest friendship for the French people—for the entire French people. I retain and cherish the friendship of hundreds of French people in France and outside of France. I know your farms, your villages, and your cities. I know your soldiers, professors, and workmen. I know what a precious heritage of the French people are your homes, your culture, and the

principles of democracy in France. I salute again and reiterate my faith in Liberty, Equality, and Fraternity. No two nations exist which are more united by historic and mutually friendly ties than the people of France and the United States.

"Americans, with the assistance of the United Nations, are striving for their own safe future as well as the restoration of the ideals, the liberties, and the democracy of all those who have lived under the Tricolor.

"We come among you to repulse the cruel invaders who would remove forever your rights of self-government, your rights to religious freedom, and your rights to live your own lives in peace and security.

"We come among you solely to defeat and rout your enemies. Have faith in our word. We do not want to cause you any harm.

"We assure you that once the menace of Germany and Italy is removed from your midst, we shall quit your territory at once.

"I am appealing to your realism, to your self-interest and national ideals.

"Do not obstruct, I beg of you, this great purpose.

"Help us where you are able, my friends. We shall see again the glorious day when liberty and peace shall reign again on earth.

"Vive la France éternelle!"

FREE MOVEMENT OF PERSONS, PROPERTY, AND INFORMATION INTO AND OUT OF THE UNITED STATES

MESSAGE FROM THE PRESIDENT TO THE CONGRESS

[Released to the press by the White House November 21]

TO THE CONGRESS OF THE UNITED STATES:

On December 23, 1941 I approved a statement of war production policy for Canada and the United States,¹ which contained the following recommendation.

"Legislative and administrative barriers, including tariffs, import duties, customs, and other regulations or restrictions of any character which prohibit, prevent, delay, or otherwise impede the free flow of necessary munitions and war supplies between the two countries should be suspended or otherwise eliminated for the duration of the war."

¹ BULLETIN of Dec. 27, 1941, p. 578.

The needs of the war effort have multiplied our demands for a maximum and integrated production not only at home and in Canada but in every country of the United Nations. We must further take advantage of possibilities for procurement from every available source, foreign or domestic. Speed and volume of output have become more than ever before in our history the primary conditions of victory.

To achieve an all-out war production effort we must implement and supplement the measures already taken by the Congress and the President to eliminate those peacetime restrictions which limit our ability to make the fullest and most efficient use of the world's resources. At my

...n, the Government agencies have already received and are engaged in removing, wherever possible, numerous administrative requirements and formalities affecting the movement of war materials, information, and persons into or out of the United States. There remain, however, many legislative obstacles to that movement which impede and delay our war production effort.

These obstacles fall into two classes: Those directly affecting the movement to and from the continental territory of the United States of materials, information, and persons needed for the war effort, such as customs duties and the laws, the administrative supervision required by the laws affecting movement of persons and property at our borders and ports; and those which impose limitations on the procurement, acquisition, or use of non-American articles or the transportation of supplies in non-American boats, such as restrictions on the use, under construction differential subsidy contracts, of non-American materials in the construction of ships under the Merchant Marine Act of 1936, amended; on the procurement of any article of food or clothing not grown or produced in the United States or its possessions; on the action for the public use, public buildings, public works of non-American articles; or transportation by sea of Navy supplies existing in vessels of the United States.

...have already exercised by Executive order the power granted under the First War Powers Act to extend to the Government procurement agencies the authority granted to the Secretary of the Navy to make emergency purchases of war materials and to enter them free of duty. This has measurably assisted our war effort, but it only partially eliminates the obstacles prescribed by law which I have already mentioned.

...therefore, recommend early enactment by the Congress of legislation to the extent required for the effective prosecution of the war, to free movement of persons, property, and information into and out of the United States.

I do not now recommend that the Congress repeal or amend any of these peacetime restrictive laws. It is my judgment that the problem can best be dealt with by giving to the President for the duration of the war, but no longer, the power on a selective and flexible basis to suspend the operation of all or any such laws, in such a way as to meet new and perhaps unforeseen problems as they may arise, and on such terms as will enable the Chief Executive and the Government agencies to work out in detail parallel action in other countries.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
November 2, 1942.

PROCLAIMED LIST: SUPPLEMENT 4 TO REVISION III

[Released to the press November 1]

The Secretary of State, acting in conjunction with the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs, on November 1 issued Supplement 4 to Revision III of the Proclaimed List of Certain Blocked Nationals, promulgated August 10, 1942.¹

Part I of this supplement contains 361 additional listings in the other American republics and 29 deletions. Part II contains 127 additional listings outside the American republics and 12 deletions.

Europe

TWENTY-FIFTH ANNIVERSARY OF THE FOUNDING OF THE SOVIET UNION

[Released to the press November 7]

The texts of messages transmitted by the President of the United States to His Excel-

¹ 7 Federal Register 8845.

lency Mikhail Kalinin, President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics and by the Secretary of State to His Excellency V. M. Molotoff, Vice President of the Council of People's Commissars and People's Commissar for Foreign Affairs of the Union of Soviet Socialist Republics, on the occasion of the twenty-fifth anniversary of the founding of the Soviet Union, follow:

"NOVEMBER 6, 1942.

"On the occasion of this twenty-fifth anniversary of the establishment of the Soviet State, I convey to Your Excellency the congratulations of the Government and people of the United States.

"For the second time in a generation, our two countries are in the forefront of a gathering of nations aligned against a common enemy. Collaboration in the mighty military task before us must be the prelude to collaboration in the mightier task of creating a world at peace.

"The resistance of free peoples has made possible the mounting power of the United Nations. The Russian Army and the Russian people in their continuing struggle against Nazi conquest today bear the brunt of the massed weight of the Nazi might and their incomparable heroism stands as a symbol of determination and unrelenting effort.

"Let Your Excellency rest assured that the steadily growing power of the United States has been, and will continue to be, dedicated to complete victory.

FRANKLIN D ROOSEVELT"

"NOVEMBER 6, 1942.

"On the occasion of the twenty-fifth anniversary of the founding of the Soviet Republic, permit me to express to Your Excellency the sincere admiration of the Government and people of the United States for the heroism of the army and people of Russia in the face of the savage onslaught on your homeland by the forces of Nazi aggression.

"In this stupendous struggle for the preservation of human freedom, my country is resolutely gathering its might and is increasingly

bringing it to bear against our common foe. I am confident that the combined efforts of your nation, of mine, and of all the United Nations will give us all complete victory, not only in the fields of battle, but also in the paths of the ensuing peace.

CORDELL HULL

American Republics

NATIONAL ANNIVERSARY OF PANAMA

[Released to the press November 3]

The text of a telegram from the President of the United States to His Excellency Ricardo Adolfo de la Guardia, President of the Republic of Panama, upon the occasion of the anniversary of the independence of Panama, follows:

"THE WHITE HOUSE, November 3, 1942.

"I offer to Your Excellency and through you to the people of Panama the sincere congratulations of the Government and people of the United States on this anniversary of the independence of Panama. Since the celebration of this occasion a year ago our two countries have been partners in the defense of a common cause, and the peoples of the new world, have taken significant positive steps against enemies bent on the destruction of our right to exist as free nations. Upon sending these felicitations it is gratifying to contemplate the sincere friendship and cordiality that characterize our cooperative efforts.

FRANKLIN D ROOSEVELT

Cultural Relations

VISIT TO THE UNITED STATES OF PERUVIAN HISTORIAN

[Released to the press November 3]

Dr. José Uriel García, professor of the history of Perú and the history of Peruvian art at the National University of Cuzco, arrived in Washington

on on November 3, at the invitation of the
Department of State, for a two months' tour in
country, which will probably include lead-
museums, libraries, and manufacturing cen-
in New York, Detroit, Chicago, and Pitts-
h, and Indian reservations in the South-

General

ARMISTICE DAY PROCLAMATION

The President has issued the following pro-
clamation (no. 2570) regarding Armistice Day,

the calm which settled over the Western
at 11 a.m. on November 11, 1918, closed
phase of a world-wide struggle against
aggression and for the basic freedoms
unkind; and

the United States, in company with the
d Nations, must once more champion the
ial freedoms—freedom of speech, free-
of worship, freedom from want and free-
from fear¹—on a world-wide battlefield;

with can be kept with those who died in
rst World War only by resolutely prose-
g to final victory the great war in which
e now engaged, and by crowning that vic-
with a peace which shall safeguard and
l these essential freedoms.

HEREAS Senate Concurrent Resolution 18
e Sixty-ninth Congress, passed June 4,
(44 Stat. 1982), requests the President of
nited States to issue a proclamation for
servance of Armistice Day, November 11:
OW, THEREFORE, I, FRANKLIN D. ROOSE-

the "four freedoms" here referred to were first
ated by President Roosevelt in an address de-
before a joint session of the two Houses of
ss on January 6, 1941 (H. Doc. 1, 77th Cong.,
s.)

VELT, President of the United States of Amer-
ica, do hereby call upon the people of the
United States to rededicate this Nation, on
November 11, 1942, to the great task of winning
this war and building a just peace in order that
we and our children may live in a world made
free to work toward human advancement; and
I direct that the flag of the United States be
displayed on all Government buildings on that
day.

"IN WITNESS WHEREOF, I have hereunto set
my hand and caused the seal of the United
States of America to be affixed.

"DONE at the City of Washington this
seventh day of November in the year of our
Lord nineteen hundred and forty-two, and of
the Independence of the United States of
America the one hundred and sixty-seventh."

AWARD OF THE DECORATION OF THE LEGION OF MERIT

On October 29, 1942 the President issued Ex-
ecutive Order 9260 regarding the "Legion of
Merit":

"By virtue of and pursuant to the authority
vested in me by section 2 of the act of July 20,
1942 (Public Law 671-77th Congress), I
hereby prescribe the following rules and regu-
lations for the award of the decoration of the
'Legion of Merit' created by said act:

"1. The decoration of the Legion of Merit
shall be awarded by the President of the United
States or at his direction to members of the
armed forces of the United States and of the
Government of the Commonwealth of the Phil-
ippines, and members of the armed forces of
friendly foreign nations, who, after the procla-
mation of an emergency by the President on
September 8, 1939, shall have distinguished
themselves by exceptionally meritorious con-
duct in the performance of outstanding services.

"2. Awards of the decoration of the Legion
of Merit may be proposed to the President by
the Secretary of War and by the Secretary of

the Navy, each acting upon the recommendation of an officer of the armed forces of the United States who has personal knowledge of the services of the person recommended.

"3. Recommendations for awards to members of the armed forces of friendly foreign nations shall be submitted to the President of the United States for his approval."

CONTRIBUTIONS FOR RELIEF

On October 31, 1942 the President's War Relief Control Board issued to the press a tabulation of contributions collected and disbursed during the period September 6, 1939 through September 1942, as shown in the reports submitted by persons and organizations registered with the Board for the solicitation and collection of contributions to be used for relief in foreign countries, in conformity with the regulations issued pursuant to section 3 (a) of the act of May 1, 1937 as made effective by the President's proclamations of September 5, 8, and 10, 1939, section 8 of the act of November 4, 1939 as made effective by the President's proclamation of the same date, and Executive Order 9205 of July 25, 1942.

The statistics set forth in the tabulation are incomplete as regards relief activities which a number of registered organizations have been carrying on in respect to non-belligerent countries, for which registration has not heretofore been required.

The American National Red Cross and certain religious organizations are exempted from registration with the Board by section 3 of Executive Order 9205, and the accounts of these organizations are not included in this tabulation.

In addition to the foreign relief organizations shown in this tabulation, a list of the organizations which have been registered with the Board for domestic war relief and welfare activities is included in this release.

Copies of this tabulation may be obtained from the President's War Relief Control Board, Washington Building, Washington, D.C.

The Department

COMMITTEE ON POLITICAL PLANNING

On November 2, 1942 the Secretary of State issued the following Departmental order (1105):

"There is hereby created in the Department of State a Committee on Political Planning."

"This Committee shall be composed of four Political Advisers, the Adviser on International Economic Affairs and a representative of no less rank than an Assistant Chief of the following Divisions: Foreign Activity, Information, Current Information and World Trade, Intelligence. As occasion demands the chief of other divisions and such other officers of the Department as may be of assistance in connection with any plans or studies under consideration by the Committee will be invited to participate in the sessions of the Committee."

"The Committee is charged with the work of developing and laying before the Secretary of State the Under Secretary plans in the field of the Department's political activity."

"Mr. James C. Dunn is hereby designated Chairman of the Committee on Political Planning."

"Mr. Selden Chapin is hereby appointed Executive Secretary of the Committee on Political Planning. He will be provided with the assistance as may from time to time be required. Initially, he will be assigned one office Assistant Secretary of the Committee."

The Executive Secretary, and in his absence the Assistant Secretary of the Committee, is authorized to call on each geographic division and upon the various technical divisions for such special studies as may be required for the work of the Committee.

The provisions of this Order shall be effective on November 2, 1942, and shall supersede the provisions of any existing Order in conflict therewith."

Treaty Information

COMMERCE

Agreement Between Argentina and Spain

The American Embassy at Madrid reported a despatch dated October 1, 1942 that a commercial agreement between Argentina and Spain was signed at Buenos Aires on September 5, 1942.

According to information contained in an article in *El Mundo*, a weekly magazine published in Madrid, the agreement provides for the sale on credit by the Argentine Government to the Spanish Government of stated amounts of wheat and tobacco. Argentina, providing resources permit, will authorize the exportation of mules, sugar, barley, tobacco, hides, tallow, dried vegetables, casein and other milk products, quebracho, casings, asbestos, cotton, wool, and animal by-products, etc. Spain agrees to permit the exportation of the following goods to Argentina: Machinery in general, especially for textile and oil industries; agricultural products; refractory materials; chloride of potash; mercury; pharmaceutical products; spices; pimentos; sassafras; essential oils; wines; fine table wines; books; mineral waters; etc. The Spanish Government also under-

takes to construct and to deliver in Spain to the Argentine Government 2 merchant ships of 9,000 tons each and to furnish Argentina 30,000 tons of iron and steel, as well as to provide the means of transport for petroleum so far as available tonnage permits. It is provided that Spain will be supplied with 10,000 tons of cotton in exchange for which the Spanish Government will guarantee the exportation to Argentina of bleached cotton sacking equal to two thirds of the cotton shipped plus one third in fine cotton cloth. Spain will obtain in Argentina fine and coarse wool, and Argentina will permit importation into that country of the equivalent in fine woolen cloth.

The agreement provides that a credit will be opened in the Central Bank of Buenos Aires in the name of the Spanish Institute of Foreign Exchange against which there will be debited the amounts corresponding to purchases made as well as Spain's debit balances from previous transactions. The Spanish Institute of Foreign Exchange will open a credit in Spain called "Argentine account", through which the remaining payments will be effected.

JUDICIAL DECISIONS

North American Regional Broadcasting Agreement

On February 9, 1942 the United States District Court, N.D. Texas, Dallas Division, rendered a decision in favor of the plaintiff in the case of *King Features Syndicate, Inc., v. Valley Broadcasting Co. et al.* The King Features Syndicate brought action against the Valley Broadcasting Company, Incorporated, and others for services furnished under contract. The plaintiff declared that it obtained from the defendant a contract made on June 19, 1940, wherein certain broadcasting rights were granted to furnish news reports over Station XEAW, located at Reynosa, Mexico, which is

near Hidalgo, Tex., for seven nights a week for a stated weekly payment. The contract was to continue for one year from date and was to renew itself continuously for periods of five years unless either party notified the other at least six months before the beginning of the first renewal period, or any subsequent renewal periods, of its desire to terminate the agreement, in which event the agreement was to terminate at the beginning of the next renewal period which would have commenced thereafter. On February 18, 1941 the defendants, Collins and Collins, took over and assumed the Valley Broadcasting Company and so notified the plaintiff, who on February 20, 1941 agreed to such assumption. As a repudiation notice was given in July 1941 by the defendants, the plaintiff claimed that the defendants had thereby breached the contract as such declination was not made more than six months before September 1, 1941, the date provided in the contract for a renewal of a five-year period unless a notice of renunciation was given six months before that date. The plaintiff claimed an amount due for services furnished under the contract and also claimed an amount due under the doctrine of anticipatory breach of contract.

The defendants claimed that in March 1941 at Habana, Cuba, certain governments, including the Republic of Mexico and the United States of America, entered into a treaty (the North American Regional Broadcasting Agreement, signed December 13, 1937, Treaty Series 962) containing provisions which made it impossible for the defendants to continue to operate station XEAW. They claimed that the treaty became operative in Mexico and the United States in June 1941, and that they were required to decrease their scope of broadcasting territory which required a change in their station's power, and that they remove the station to a new location. The defendants claimed that the required changes were notified to the plaintiff but it refused to forego any of its rights, as

claimed by it, under the contract theretofore existing between it and the Valley Broadcasting Company and that in July the peremptory notice was given by the defendants, Collins and Collins. It was claimed by the defendants that since a ratified and valid treaty is binding upon not only the governments entering into it but also upon the nationals of such governments, if the provisions of the treaty are within the constitutional provisions of the government making it, the status of the defendants was thereby altered. They produced testimony to show that the changes in the dial and the station location resulted in a lesser territorial coverage and the offering of state news by the plaintiff to the defendants. The defendants pleaded that in such a situation it would be improper to enforce against them the provisions of the original contract between the Valley Broadcasting Company and the plaintiff.

The Court held "(1) . . . that the treaty should be considered as a sufficient reason for the discontinuance of the service in the way that it was discontinued by the defendants, Collins and Collins.

"(2) A treaty effective and binding upon the contracting parties binds the courts and affects contracts theretofore entered. *Pollard v. Heirs' Lessee v. Kibbe*, 14 Pet. 353, 10 L.Ed. 1090.

"(3) Courts have no right to annul or disregard any of its provisions. *Doe ex dem Collins v. Braden*, 16 How. 635, 14 L.Ed. 1090. They cannot dispense with any of its conditions or requirements upon any notion of equity, general convenience or substantial justice. *United States v. Choctaw Nation*, 179 U.S. 494, 21 S.Ct. 149, 45 L.Ed. 291.

"(4) Private rights which have suffered by reason of a treaty may be salvaged by the government which entered into the treaty, and which required the condition causing the injury. *O'Reilly de Camara v. Brooke*, D.C. [N.D. Cal.] 135 F. 384.

"Decree should go for the plaintiff for such rearages plus interest as are due up to September 1, 1941, the date of the discontinuance of service."

Regulations

Security of Ports and the Control of Vessels in the Navigable Waters of the United States: Enemy Aliens amendment defining term "enemy aliens" for purposes of this regulation]. (Coast Guard, Department of the Navy.) Approved, October 27, 1942. Federal Register 8903.

Publications

DEPARTMENT OF STATE

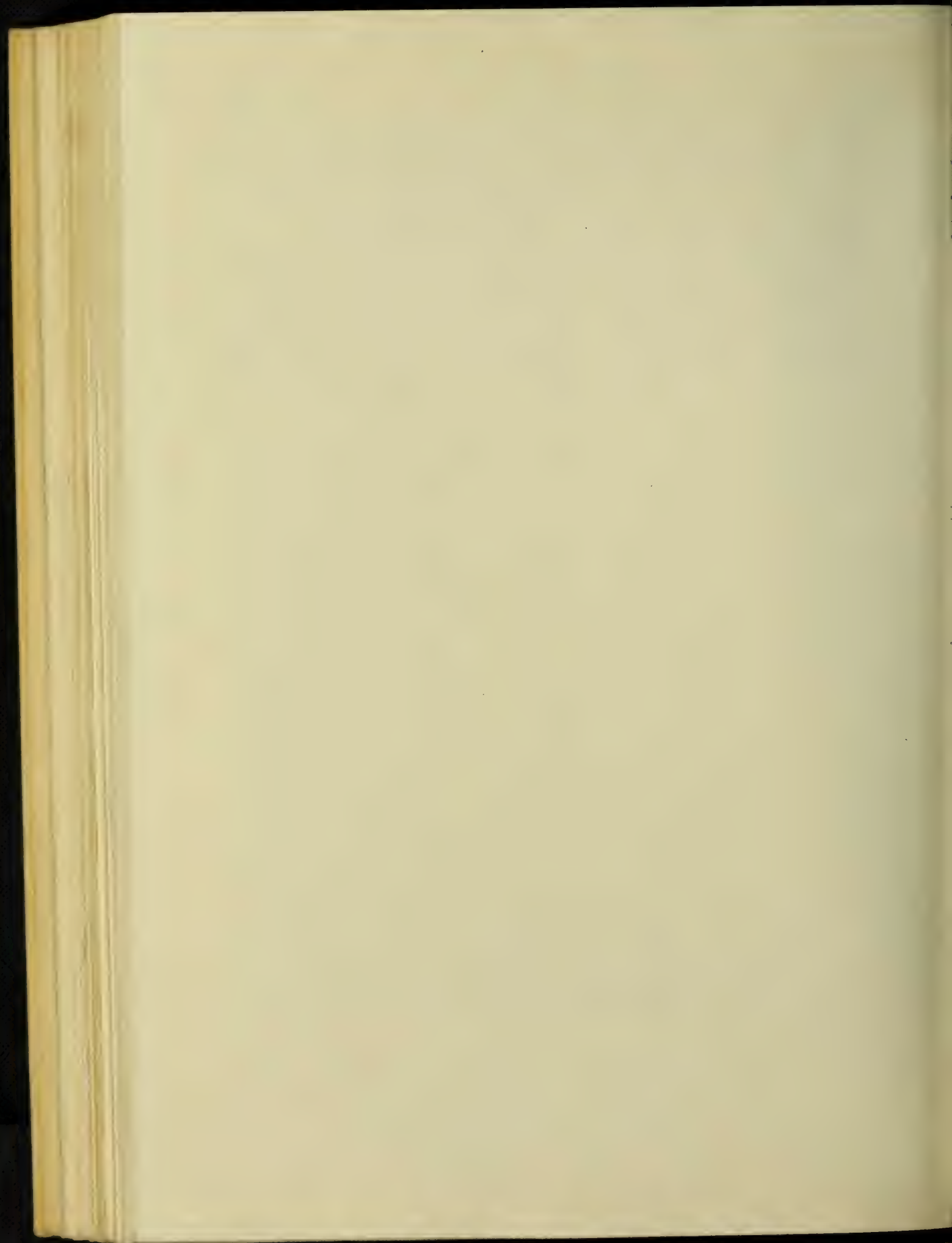
Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Yugoslavia—Signed at Washington July 24, 1942; effective July 24, 1942. Executive Agreement Series 263. Publication 1811. 4 pp. 5¢.

The Proclaimed List of Certain Blocked Nationals, Supplement 4, October 30, 1942, to Revision III of August 10, 1942. Publication 1826. 21 pp. Free.

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the War

UNITED STATES POLICY TOWARD THE VICHY GOVERNMENT

STATEMENT BY THE PRESIDENT

ed to the press by the White House November 9]

e representative of this Government at has reported that last evening M. Laval, of the Government at Vichy, notified him diplomatic relations between Vichy and Government had been severed. I regret tion on the part of M. Laval. is evidently still speaking the language iberated by Hitler.

Government of the United States can hing about this severance of relations on rt of the Vichy Government.

Nevertheless, no act of Hitler, or of any of his puppets, can sever relations between the American people and the people of France. We have not broken relations with the French. We never will.

This Government will continue as heretofore to devote its thought, its sympathy, and its aid to the rescue of the forty-five million people of France from enslavement and from a permanent loss of their liberties and free institutions.

STATEMENTS BY THE SECRETARY OF STATE IN PRESS CONFERENCES

response to questions by the newspaper pondents at a press conference held on ber 8, the Secretary of State said that the who have been concerned about the policy of the United States Government ow be able to see clearly and fully its content. He added that liberation of a Morocco by American military forces forward the various purposes and objec- f this Government in pursuing its policy l Vichy. This policy, he said, has been d toward the ultimate liberation of from her German captors. The Ameri- ritish, and Canadian Governments have heartedly favored and supported this he added.

more important of those purposes, Secre- ull pointed out, have been: (1) oppor- for the Government of the United States from week to week highly important in-

formation virtually from the inside of German-controlled territory and from North Africa regarding Axis subversive activities and other important phases of the international situation; (2) the maintenance of close relations with the French people and encouragement of leadership in opposition to Hitlerism wherever it exists; (3) the keeping alive of the basic concepts of freedom of the French people, looking toward ultimate restoration of free institutions for France as they existed before the German occupation; (4) the retention of the closest personal touch on the ground with all phases of the French and German situation under the armistice prevailing between Germany and France; resistance to increased German pressure on France to go beyond the armistice provisions and to collaborate with Germany; constant effort to prevent delivery of the French fleet or any part of it into German military

hands or to give military support to German arms; that also includes French bases all along the Mediterranean and the Atlantic coast; and (5) last, but most important, paving the way and preparing the background, in the most effective manner possible, for the planning and sending of the military expedition into the western Mediterranean area, and assisting the movements supporting present British operations farther east.

The Secretary of State was asked, at his press conference on November 9, whether he would care to say whether he felt that the traditional friendship which had existed between the peoples of this country and France for so long would make it impossible for the Vichy Government to turn the French people against us in view of the developments in North Africa.

The Secretary permitted the press to question him directly on the following statement:

"The Vichy Government did all—reached maximum stage by its plan and efforts to mislead the French people many months ago. The French people, I think, to the extent of not less than 95 percent understand fully that the Laval government at Vichy has been a most willing puppet of Hitler and Hitler agencies, with the result that instead of being influenced in the Hitler direction by the Laval government, the French people—will, on the contrary, be most grateful for our having come to the relief of French Africa, which is the first and preliminary step in our plans, so far as I understand, to come to the relief of all enslaved peoples in Europe, including France proper. The French people will continue, I am sure, to be grateful to us for our policies and be wholly cooperative with us to the extent within their power."

AMERICAN MILITARY OPERATIONS IN FRENCH NORTH AFRICA

MESSAGES OF PRESIDENT ROOSEVELT TO OFFICIALS OF FRANCE, PORTUGAL, SPAIN, ALGERIA, AND TUNISIA; AND REPLIES

[Released to the press by the White House November 8]

In connection with the current military operations in French North Africa, the President has sent the following message to the Chief of the French State, Marshal Henri Philippe Pétain:

"MARSHAL PÉTAİN:

"I am sending this message to you as the Chief of the United States to the Chef d'État of the Republic of France.

"When your Government concluded the Armistice Convention in 1940, it was impossible for any of us to foresee the program of systematic plunder which the German Reich would inflict on the French people.

"That program, implemented by blackmail and robbery, has deprived the French population of its means of subsistence, its savings; it has paralyzed French industry and transport; it has looted French factories and French

farms—all for the benefit of a Nazi Reich and a Fascist Italy under whose Governments a liberty loving nation could long exist.

"As an old friend of France and the people of France, my anger and sympathy grows every passing day when I consider the misery, the want, and the absence from their homes of the flower of French manhood. Germany neglected no opportunity to demoralize and degrade your great nation.

"Today, with greedy eyes on that Empire which France so laboriously constructed, Germany and Italy are proposing to invade and occupy French North Africa in order that they may execute their schemes of domination and conquest over the whole of that continent.

"I know you will realize that such a conquest of Africa would not stop there but would be the prelude to further attempts by Germany and Italy to threaten the conquest of large portions of Europe."

the American Hemisphere, large dominations in the Near and Middle East, and a joining of hands in the Far East with those military powers of Japan who seek to dominate the whole Pacific.

It is evident, of course, that an invasion and occupation of French North and West Africa would constitute for the United States and all the American Republics the gravest kind of threat to their security—just as it would sound the death knell of the French Empire.

In the light of all the evidence of our enemy's intentions and plans, I have, therefore, decided to despatch to North Africa powerful American forces to cooperate with the governing authorities of Algeria, Tunisia and Morocco in punishing this latest act in the long litany of German and Italian international crime.

These indomitable American forces are equipped with massive and adequate weapons of modern warfare which will be available for your patriots in North Africa in our mutual fight against the common enemy.

I am making all of this clear to the French authorities in North Africa, and I am calling upon them for their cooperation in repelling Axis aggression. My clear purpose is to support and assist the French Authorities and their administrative organs. That is the immediate aim of these American armies.

I need not tell you that the ultimate and long-range aim is the liberation of France and its return from the Axis yoke. In so doing we are automatically for the security of the Mediterranean.

I need not again affirm to you that the United States of America seeks no territories and desires always the historic friendship and mutual cooperation which we have so greatly given to each other.

I send to you and, through you, to the people of France my deep hope and belief that we are soon to enter into happier days.

FRANKLIN D ROOSEVELT

Released to the press by the White House November 8]

In reply, Marshal Pétain sent the following message to President Roosevelt:

"It is with stupor and sadness that I learned tonight of the aggression of your troops against French North Africa.

"I have read your message. You invoke pretexts which nothing justifies. You attribute to your enemies intentions which have not ever been manifested in acts. I have always declared that we would defend our Empire if it were attacked; you should know that we would defend it against any aggressor whoever he might be. You should know that I would keep my word.

"In our misfortune I had, when requesting the armistice, protected our Empire and it is you who acting in the name of a country to which so many memories and ties bind us have taken such a cruel initiative.

"France and her honor are at stake.

"We are attacked; we shall defend ourselves; this is the order I am giving.

PHILIPPE PÉTAİN"

[Released to the press by the White House November 8]

In connection with the current military operations in French North Africa, the President has sent the following message to the President of the Republic of Portugal, General Antonio Oscar de Fragoso Carmona:

"MY DEAR MR. PRESIDENT:

"The Republic of Portugal and the United States of America have long enjoyed the full and complete friendship of each other. Because of this great friendship, and our mutual desire to insure its continuation, I desire to relate to you the urgent reasons that have compelled me to despatch to the assistance of the friendly French Possessions in North Africa a strong Army of the United States.

"I have been advised by very reliable sources of information that in the near future it is the intention of Germany and Italy to occupy the French North African Colonies with a large military force.

"I know that it will be quite clear to you that prompt and effective action should be taken to deter such an attempt by the Axis Nations, with its inherent danger to the defenses of the Western Hemisphere.

"To forestall occupation by the Axis Nations of the French North African Possessions and Protectorates, and thus to insure the defense of American Nations, is the only reason which prompts the despatch of powerful United States forces to the Area. It is hoped that French North Africa will not suffer in any way from the destruction of war on its own soil.

"I desire to reassure you fully that the presence of American Military Forces in French North Africa presages in no manner whatsoever, a move against the people or Government of Portugal or against any of Portugal's Continental or Island Possessions. Since I realize that Portugal really desires above all else to avoid the horrors and devastation of war, I hope that you will accept my solemn assurance that your Country should have no fear of the motives of the United Nations.

"I am, my dear Mr. President,

"Your sincere friend,

FRANKLIN D ROOSEVELT"

[Released to the press by the White House November 12]

The President has received the following reply from the President of Portugal:

"NOVEMBER 12, 1942.

"MR. PRESIDENT:

"I received from the hands of His Excellency the United States Minister the message with which Your Excellency honored me, conveying to me the motives for the military operations undertaken in French North Africa.

"In the same message it was Your Excellency's wish in view of that new fact again to assure me categorically that the presence of military American forces in the North of Africa do not forebode any attempt against the people and Government of Portugal or against Continental or Insular Portugal.

"I do not wish to lose any time in thanking Your Excellency for the friendly tenor and spirit of your communication and further for the solemn assurances that my country has nothing to fear from the intentions of the United States, which is another proof of the unalterable and confident friendship existing between our two nations.

"The Government and the people of Portugal learned with sincere appreciation of the contents of the message and join me in conveying to Your Excellency the thanks and wishes I hereby express for Your Excellency's personal prosperities and those of your people.

General CARMONA

President of the Republic of Portugal

[Released to the press by the White House November 8]

In connection with the current military operations in French North Africa, the President has sent the following message to the head of the Spanish State, General Francisco Franco Bahamonde:

"DEAR GENERAL FRANCO:

"It is because your nation and mine are friends in the best sense of the word, and because you and I are sincerely desirous of the continuation of that friendship for our mutual good that I want very simply to tell you of the compelling reasons that have forced me to send a powerful American military force to the assistance of the French possessions in North Africa.

"We have accurate information to the effect that Germany and Italy intend at an early date to occupy with military force French North Africa.

"With your wide military experience you will understand clearly that in the interest of the defense of both North America and South America it is essential that action be taken to prevent an Axis occupation of French North Africa without delay.

"To provide for America's defense I am sending a powerful Army to the French possessions and protectorates in North Africa for the sole purpose of preventing occupation by Germany and Italy, and with the hope that these areas will not be devastated by the horrors of war.

"I hope you will accept my full assurance that these moves are in no shape, manner or form directed against the Government or people of Spain or Spanish territory, metropolis or overseas. I believe that the Spanish Gov-

and the Spanish people wish to maintain
neutrality and to remain outside the war.
n has nothing to fear from the United
States.

I am, my dear General,
"Your sincere friend,
FRANKLIN D. ROOSEVELT"

[Released to the press by the White House November 13]

The following letter, addressed to the Presi-
dent by General Franco, has been received:

DEAR MR. PRESIDENT:

I have received from the hands of your Am-
bassador the letter in which, actuated by the
ties of friendship which unite our peoples,
which in their benefit should be preserved,
you explain to me the reasons which induced
Your Excellency to send troops of the American
Army to occupy the territories of the French
possessions and protectorates in North Africa.
I accept with pleasure and I thank you for
assurances which Your Excellency offers the
Government and the people of Spain to the effect
that the measures adopted are not in any manner
directed against their interests, or against their
possessions, metropolitan or overseas, or against
the protectorate in Morocco, and I confidently
trust that the relations among the Moroccan
peoples of both zones likewise will in the future
be maintained in the same spirit of peace and of
mutual confidence which have characterized
them up to now.

I can assure you that Spain knows the value
of peace and sincerely desires peace for itself
and for all other peoples.

On this occasion I am pleased to reciprocate
the friendly sentiments you expressed to
me and to express my intention of avoiding
anything which might disturb our relations in
any of their aspects, and I reiterate with a salu-
tary expression of my personal esteem and
of our friendship."

[Released to the press by the White House November 14]

In connection with the current military oper-
ations in French North Africa, the President

has sent the following message to the Governor
General of Algeria, Yves Charles Chatel:

"YOUR EXCELLENCY:

"The undeniable evidence which has come to
me of the design of the Axis powers, exponents
of brutality, force and aggression, to execute
their program of domination and occupation of
Algeria requires that you and I cooperate in the
defense against the common enemy.

"I have not been oblivious to the able resist-
ance which you have extended to the applica-
tion to Algeria of the cruel terms of the Armis-
tice of June, 1940, and your determination to
defend the French Empire on which the covet-
ous eyes of Germany and Italy are fastened.

"The intention of the Axis to exploit French
North Africa and detach it from France for the
profit of the Central Powers undoubtedly is
obvious to you.

"Now that the insatiable Axis desire culmin-
ates in an effort to seize French North Africa, I
know that you will stoutly resist by every means
at your disposal this latest manifestation of
German and Italian cupidity and baseness.

"Be assured that the powerful American
forces, equipped with the deadliest instruments
of modern warfare, which I am despatching
will support you to the limit of their great re-
sources to the end that the Axis may be driven
from North Africa and the liberation of France
and its Empire from despicable tyranny may
begin. These American forces are determined
like yourself that liberty and the dignity of man
shall not perish from the earth. You know
that those American forces have only one aim—
which they will achieve—the destruction of our
common enemies and that includes the libera-
tion of France.

"Long Live France! Long live the United
States of America!

"Your friend,

FRANKLIN D. ROOSEVELT"

[Released to the press by the White House November 9]

In connection with the current military op-
erations in French North Africa, the President
has sent the following messages to the Resident

General at Tunis, Admiral Jean Pierre Esteva, and His Highness Sidi Moncef Pacha, Bey of Tunis, respectively:

"YOUR EXCELLENCY:

"I take the liberty of requesting your good offices in the transmission to the addressee of the accompanying message of The President of the United States addressed to His Highness, Sidi Moncef Pacha, Bey of Tunis.

"Your own loyal efforts, my dear Admiral, since the tragic days of June, 1940, to stem the tide of Axis infiltration in North Africa and to retain for France and the Tunisian population some vestige of liberty and well-being are often in my thoughts.

"Now that the insatiable designs of Germany and Italy in their mad drive for world domination and oppression stretch out to encompass Tunisia in their onward march, I have determined to support French and Tunisian resistance by the despatch to North Africa of powerful American forces. These forces are equipped with masses of the most deadly instruments of modern warfare and they are instructed to cooperate with friendly French officials and the Tunisian population looking to the early destruction of our common enemy.

"I know that I may count on your understanding of American friendship for France and American determination to liberate the French Empire from the domination of its oppressors.

"Long live France! Long live the United States of America!

"Your friend,

FRANKLIN D ROOSEVELT"

"YOUR HIGHNESS:

"I have not ignored the terrible predicament into which the brave Tunisian population has been thrown by the progress of the war. Your country, I know, is beset on all sides by dangers with which You, alas, are only too familiar. Your people are victimized by the organized rapacity of the Germans and Italians which has stripped the Tunisian population of the bare necessities of life, reducing it to nakedness and want.

"Now I learn that those same Italian and German elements, not content with organized plunder, seek to occupy and completely dominate Your country, and to impose on your proud people a condition of misery to which I am sure, they will never submit.

"The indomitable and massive American armed forces which I am despatching to North Africa, in collaboration with the forces of France, will cooperate with you in the defense of your country. They have no other aim than the early destruction of our common enemy. They and their allies hope for the great privilege of passage through Tunisia thus enabling them to accomplish their mission—the elimination of the forces of evil from North Africa.

"Your recent ascension to power and your expressed aspirations for the welfare of Your people in whom I have profound confidence permit no doubt of the speedy and favorable outcome of our joint measures of defense.

"May God have Your Highness in His aid and holy keeping.

"Your Good Friend,

FRANKLIN D ROOSEVELT"

CONGRATULATORY MESSAGES FROM OTHER AMERICAN REPUBLICS

[Released to the press November 8-14]

In connection with the American military operations in French North Africa, President Roosevelt has received telegrams of support and congratulation from officials and organizations in the other American republics. Translations of these messages, together with such replies as have been made to date, are printed below.

Bolivia

"La Paz, November 10, 1940

"I have the honor to declare to Your Excellency that the Government and people of Bolivia interpret the military operation in French North Africa by armed contingents from the United States as a liberating action in favor of France subjected to the yoke of the totalita-

tries of the Axis, as a result of the present military conflict, the liberated territories being in safe-keeping as an expression of the respect which the territorial sovereignty of nations receive from the democracies.

Bolivia, like the other nations of this hemisphere, has owed to the springs of the French Revolution its passion for the liberty and independence of the Republic and its democratic principles which constitute the moral and juridical foundation on which the edifice of this nation

Furthermore, the occupation of French Africa from the military point of view, is transformed into a measure intended to protect our continent from attack and invasion.

Convinced that the great nation of Washington has realized in this anxious historic hour the duty of strict justice, in obedience to military necessity which could not be postponed, to the advantage of the continent and the cause of the democracies, I have the honor to send Your Excellency my warm congratulations and my best wishes for the success of this noble undertaking, and on most worthy humane and international motives, which will strengthen the faith we all have in the liberation of the world. I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

General PEÑARANDA

President of the Republic of Bolivia

Chile

"SANTIAGO, CHILE.

Ambassador Bowers has just advised me of the reasons which Your Excellency's Government had for instituting acts of occupation in French territories and possessions in North Africa as also the guarantees of territorial integrity given to the peoples of France, Spain and Portugal, so closely bound to our people by ties of history, friendship and culture. Inspired like Your Excellency that the operations undertaken tend, furthermore and in a similar manner, to guarantee the security of this hemisphere, it gives me pleasure to declare to

you that I duly appreciate those very high ends and that, for our part, we are continuing to increase the production of indispensable materials and vigorously combatting all activity of subversive propaganda or espionage which might be prejudicial to this fraternal labor in which the American people and their illustrious President are engaged. I take this opportunity to renew to Your Excellency the assurances of my highest consideration and respect.

JUAN ANTONIO RÍOS

President of Chile

"THE WHITE HOUSE, November 14, 1942.

"I am deeply appreciative of Your Excellency's message of wholehearted understanding of the military operations now in progress in North Africa. I was confident that the significance of this offensive not only in relation to the liberation of France from the domination of the Nazis but also to the security of the American Republics as a whole would be enthusiastically appreciated by you and by the people of Chile. The vast operations in which we have now engaged and the even more difficult offensives of the future make the assurances of Chilean support profoundly welcome. In this moment in which the full support of free peoples everywhere is most urgently needed the news of increased and more effective cooperation by Chile for the security of this hemisphere is most heartening. I take advantage of this opportunity of renewing to you my sincere assurances of profound esteem and friendship.

FRANKLIN D. ROOSEVELT"

"SANTIAGO, CHILE,

November 8, 1942.

"In face of the deeply humane message inspired in the most fundamental roots of the Latin civilization which you have just directed to the French people, we beg you to accept our homage of adhesion and gratitude, for what you and your people may be able to do for the survival of eternal France will redound to spiritual benefit of Latin America, which was stirred by your example so to constitute itself that the right, justice, and liberty would per-

mit its progress on the road of the arts and sciences and its development within the full framework of democracy.

LEONARDO GUZMAN, *ex-Minister of State, University Professor;*
 EDUARDO CRUZ COKE, *Senator, University Professor;*
 MARCIAL MORA, *ex-Minister of State, President of the Union for Victory;*
 BENJAMIN SUBERCASEAUX, *President of Pen Club;*
 RAFAEL LUIS GUMUCIO, *ex-Senator;*
 ALBERTO ROMERO, *President of Intelligence Alliance;*
 PEDRO LEON LOYOLA, *Professor of Philosophy;*
 ALFONSO LENG, *University Professor;*
 DOMINGO MALFI, *Director, daily La Nación;*
 FRANCISCO WALKER, *University Professor;*
 JULIO ORTIZ DE ZARATE, *President, Artists Federation of Plastics;*
 HECTOR ORREGO, *University Professor;*
 DOMINGO SANTA CRUZ, *Dean of Faculty of Fine Arts;*
 CHAELA RAYES, *Authoress;*
 ISAURO TORRES, *Senator;*
 FLORA YAÑEZ, *Authoress;*
 GUILLERMO FELIU, *University Professor;*
 MIGUEL LUIS ROCUAUT;
 EDUARDO FREI, *ex-Deputy;*
 BERNARDO LEIGHTON, *ex-Minister of State;*
 ISMAEL EDWARDS MATTE, *Writer;*
 CARLOS CONTRERAS LABARCA, *Senator;*
 LUIS MELANDEZ, *Writer;*
 BYRON GIGOUX, *Director of Las Ultimas Noticias,*
 GUSTAVO GIRON, *Senator, University Professor"*

—
 "SANTIAGO, November 10, 1942.

"We, Senators of all political parties, congratulate you cordially on the African action,

which presages the liberty of oppressed peoples and assures the defense of the American continent.

GREGORIO AMUNATEGUI
 GUILLERMO AZOCAR
 CONTRERAS LABARCA
 ENRIQUE BRAVO
 CRUZ COKE
 HUMBERTO ALVAREZ
 MARMADUKE GROVE
 CARLOS ALBERTO MARTINEZ
 ISAURO TORRES
 ELIODORO DOMINGUEZ
 ULISES CORREA
 HERNAN VIDELA
 HUGO GROVE
 GUILLERMO GUEVARA
 ELIAS LAFFERTE
 MARTINEZ MONTT
 ENRIQUE ELIODORO GUZMAN
 AMADOR PAIROA
 GUSTAVO GIRON
 ANIBAL CRUZAT"

—
 "NOVEMBER 8, 1942

"The French of Chile enthusiastically greet American intervention North Africa. They assure this event proclaims approaching victory and liberation France.

President, Fighting French

Colombia

"BOGOTÁ, November 10, 1942

"At this moment when the American forces are advancing along the coast of French North Africa I wish to join with the entire Colombian Nation and all the free peoples of the world wishing complete success to that undertaking and to all subsequent actions which may directly or indirectly result therefrom. It would be difficult for me to express to Your Excellency the admiration which I personally feel for the political and military action by the United States. In my opinion it is unparalleled in its purposes and in the manner in which the country is attaining them. As you have explained to France on this occasion, the United

tes is not in this war to acquire territories; to conquer a colonial empire; nor to enrich itself with the spoils of conquered peoples; nor motivated by the passions of a war of re-son, nor carried away by the dark fanaticism used by racial rivalries, nor by any other of causes for war that we have hitherto known, as the ambition of despotic leaders or the h of opposing national interests which cannot be resolved by peaceful means. But although the United States neither needs nor seeks material gain, and follows no policy of national expansion, and although all your fellow-countrymen know that the purposes for which they are participating in this war are the improvement of conditions throughout the world better than in the United States alone, your people with incomparable generosity are shedding their blood over the whole earth, and are giving to the whole world the entire output of their present effort of theirs which is an accumulation of the creative energy displayed over a century of activity, and their hopes of future progress. American troops are now attempting the liberation of France, repaying for the second time the debt of France's contribution to the independence of the United States and its democratic culture. But, further, your fellow-citizens, with a uniquely American concept of justice to humanity, are seeing service in Australia, fighting on Guadalcanal, flying in the air squadrons and over invaded Europe, fighting in Liberia and in the African deserts. All free countries, whether actual allies of the United States or others determined to resist fascist oppression, are being supplied from the resources of America in a manner never known before the opprobrious régime of war-monger-arms dealers. In these acts the American people are sacrificing a prosperous, free, rich, and worthy life to maintain the principles of humanity, of Christianity, of political democracy and of future peace. If from the first World War there came after 1918 a revolution in social concepts that brought varying degrees—all of them important—of benefit to the economic classes in different states, I believe that from the victory of the United Na-

tions we may hope, and I do confidently hope, for a revolution which will benefit equally all social classes, all men everywhere, regardless of their race, their religion, their political convictions, their economic situation, their position in society. The United States is not sacrificing itself in vain. When a rich and powerful nation, which envies no other, gives up all its present advantages to procure a better life for all the oppressed, conquered, humbled or fearful peoples, it should be able to obtain for this purpose the decided and unstinted cooperation of those peoples who share its ideals and are stirred with grateful emotion for the way in which the United States is determined to attain them. The offensive of the United Nations will still meet with difficulties and delays, but nothing, Your Excellency, can prevent the ultimate victory. Such are my ardent wishes, and thus do I interpret the unanimous will of my fellow-countrymen.

ALFONSO LÓPEZ
President of Colombia

Cuba

"HABANA, November 9, 1942.

"In the name of the Government and the people of Cuba I have the honor to make known to Your Excellency our warmest adherence to the movement begun by the army and navy of the United States in the French possessions in North Africa, both for the defense of those territories from the imminent aggression of the totalitarian powers and for starting the liberation of all the oppressed countries of Europe. This movement of yours places in relief once more the noble purpose which is followed by the international policy developed by Your Excellency's Government in behalf of the proper democratic interests of unanimity in the present struggle. In sending to Your Excellency the statement of our adherence, we take the liberty of congratulating you on the gigantic effort made, expressing our wishes for its complete success.

FULGENCIO BATISTA
President of the Republic of Cuba

Dominican Republic

"CIUDAD TRUJILLO, November 9, 1942.

"I experience deep satisfaction in expressing to Your Excellency the feelings of rejoicing and solidarity of the Dominican Government and people, and my own personally, on account of the important operations begun in Africa by the American forces, which constitutes a powerful and encouraging effort in the struggle we are maintaining to base human liberty and dignity on immovable foundations. At this transcendental moment in the liberating crusade in which we are engaged I am glad to confirm to Your Excellency the fullest adherence of the Dominican people and Government and the assurance of their most firm cooperation to obtain the definitive victory for the ideals of liberty and justice which are supported by the United Nations.

RAFAEL L. TRUJILLO
President of the Dominican Republic"

Ecuador

"NOVEMBER 10, 1942.

"The action carried out by the American forces in North Africa gives particular satisfaction to the Ecuadoran Government and people. Besides being a notable triumph over the arms of the aggressor countries it meets a threat against the Western Hemisphere and gives to France and the Latin nations the assurance that once again the United States will pay the debt of gratitude which it contracted when the sword of Lafayette was drawn in the service of American independence and liberty. In congratulating Your Excellency for this great day, I stress the solidarity of which our firm collaboration is proof.

C. ARROYO DEL RIO
President of Ecuador"

Guatemala

"GUATEMALA, November 9, 1942.

"The action of American arms in the territories under French dominion is of extreme importance in these moments of the conflict. I

consider that such action is that of the liberation of martyred France and that it is bound to merit the support of all the peoples and governments of America. Receive my warmest congratulations.

JORGE UBICO
President of Guatemala

Haiti

"PORT-AU-PRINCE, HAITI,
"November 9, 1942.

"Permit us on the occasion of the departure of the forces of the United States in North Africa to address to Your Excellency and the people of the United States the expression of our admiration and our hearty congratulations on this titanic exploit. May the Government and the people of the United States be assured of the solidarity of the Government and the people of Haiti. This morning we addressed to the Haitian people and to the press a message explaining to them the real meaning of the magnificent and grandiose action of the valiant forces of the United States just taken in Africa.

ELIE LESCOT
President of the Republic of Haiti

Honduras

"TEGUCIGALPA, HONDURAS,
"November 10, 1942.

"Renewing to Your Excellency the declarations of solidarity and cooperation of the Government and people of Honduras in the present conflict, it is a great pleasure for me to express to you my congratulations on the brilliant action of the American forces in Africa, which will be a notable contribution to the final victory.

"Sincerely,

TIBURCIO CARÍAS

Nicaragua

"MANAGUA, NICARAGUA,
"November 8, 1942.

"In the name of the people and Government of Nicaragua I cordially congratulate Your Excellency

...cy on the opportune occupation of French North African territory in obedience to strategic necessities for the liberation of France itself and other nations subjected to Nazi barbarism. Greatly cheered, I have on this date given statements to the press and broadcasting stations urging the noble French people to have, as I have, full confidence in the assurances which President Roosevelt has given regarding the ends and purposes of that military occupation which gives new guaranties for our continent and for the final triumph of free peoples. My sincere friend,

A. SOMOZA
President of Nicaragua

Panama

"PANAMA CITY, November 9, 1942.

In the name of the Government and people of Panama I express to Your Excellency the deep satisfaction felt by this allied nation over the transcendental and valorous step taken by American forces to the end of accomplishing the liberation of a France oppressed by the totalitarian forces. Panama, which has been joined to the noble French nation by unforgettable historic ties; which recalls with gratitude French efforts in the construction of the inter-oceanic passage, and which has felt for that nation the spiritual warmth which has always been inspired in all free peoples by France, defender of the rights of man and the postulates of liberty and justice, must in these moments intense gratification on the fact that the hour of her final liberation is approaching. The Panamanian nation, which has been in the high aims of the United Nations; which has seen how Your Excellency has always been faithful in the fulfillment of your promises to the peoples of America, and which, by the contact which it has maintained with your powerful nation, is well acquainted with the respect which your Government holds for the sovereignty and dignity of other nations, large or small, can reiterate to the French people the assurance that this action has no other aim than the desire to aid in the liberation of France

and lead to the definitive destruction of the forces of oppression which threaten the entire world with humiliation and vassalage.

RICARDO ADOLFO DE LA GUARDIA
President of the Republic of Panama

Uruguay

"MONTEVIDEO, URUGUAY,
November 9, 1942.

"Before the grave and decisive measures which the Government of Your Excellency has seen itself obliged to adopt toward certain territories of the African continent in safeguarding menaced right and justice, I wish to send to you the testimony of the intimate agreement with which the people and the Government of Uruguay observe the development of these extraordinary events, both impressed with the high motives and noble aims which have guided Your Excellency from the day on which you decided that your country should join those which are fighting for the defense of civilization. The countries of America have always stood morally and politically with that of Your Excellency, esteeming that the union of the democracies represents in these trying times the salvation of the principles that constitute the *raison d'être* of our peoples. France will rise again without doubt, powerful and strengthened by her unjust martyrdom, expanding in the future the ranks of the League of Nations that will found a new international world based upon justice and honor. I reiterate to Your Excellency the testimony of my highest consideration.

ALFREDO BALDOMIR
*President of the Oriental
Republic of Uruguay*

[Released to the press November 11-14]

Translations of telegrams of support and congratulation which have been received by the Secretary of State, together with his reply to the Argentine Foreign Minister, follow:

"NOVEMBER 10, 1942.

"The Ambassador of the United States has informed this chancery of the military operations initiated by your country in North Africa

and the disinterested purposes which inspire its plan. The Argentinian Government and people follow with a common interest the efforts of your great friendly nation to protect the security of America and they repeat on this occasion their faith in the high ideals of neighborly continental relations. Accept, Excellency, the assurances of my friendly and high consideration.

ENRIQUE RUIZ GUINAZU
Minister of Foreign Affairs

"NOVEMBER 14, 1942.

"I wish to express my thanks for Your Excellency's message with reference to the action of American armed forces in North Africa. This Government is happy to receive from you an expression of interest on behalf of the people and Government of Argentina in the efforts of the United States to safeguard the security of the Western Hemisphere. With assurances of my high personal regard.

CORDELL HULL
*Secretary of State of the
United States of America*

"CIUDAD TRUJILLO, DOMINICAN REPUBLIC,

"November 9, 1942.

"My Government, backed by the entire Dominican people, expresses to Your Excellency its complete solidarity with the military action undertaken by the American forces in the French possessions in Africa.

"On this most important occasion, we assure our noble and heroic allies of the complete confidence and absolute faith which we have in the unqualified triumph of the cause supported by the United Nations, which means: liberty, civilization and the destruction of the forces which throughout history have produced the greatest ills of humanity.

RAFAEL L. TRUJILLO
President of the Dominican Republic

[Released to the press November 14]

The Secretary issued the following statement on November 14:

"I have been greatly moved by the great number of messages of support received by United States Government this week from good neighbors in the other Americas in regard to the United Nations offensive in Africa. Telegrams of appreciation and pledges of cooperation have come from high officials and persons in all walks of life. It has been possible to acknowledge only a small portion of these messages individually. Therefore I want to take this opportunity to express my own deep gratitude and that of the United States Government for this impressive demonstration of support and encouragement from the friends who united with us in the determination to preserve our American liberties."

REPORT ON SHIPMENTS OF LEND-LEASE EQUIPMENT TO EGYPT

[Released to the press by the White House November 9]

The magnificent British victory in Egypt aided to an important extent by the operation of the Lend-Lease Act and is an outstanding example of combined use of American and British resources, the President said on November 9, releasing a report on shipment of American equipment to Egypt made to him by the Lend-Lease Administrator, E. R. Stettinius, Jr.

The report showed that total exports of American munitions and other products to Egypt since the beginning of lend-lease (March through September 1942) amounted to \$952,000. This includes both lend-lease and direct purchase. By types of product the breakdown is as follows:

Ordnance-----	\$130,058,000
Aircraft (not including flyaways)-	164,149,000
Tanks-----	88,239,000
Motor vehicles-----	73,113,000
Miscellaneous manufactures-----	74,606,000
Agricultural products-----	33,687,000
Industrial materials-----	73,100,000
Total-----	\$636,952,000

The great bulk of these shipments took place in the last nine months. During this period shipped to Egypt over 1,000 planes, many hundreds of tanks, of which more than 500

diems, 20,000 trucks, and hundreds of pieces of artillery.

The President said: "While we must not overlook the fact that the larger part of the equipment used in Egypt is of British origin, we have right to be proud that so much and such excellent equipment from American factories and shipyards contributed to the victory. In particular we should be gratified by the performance of American-made tanks.

From the enactment of the Lend-Lease Act our country has proceeded on the policy that in

giving the tools of war to the nations fighting the Axis, we are aiding ourselves just as surely as if those tools were in the hands of American soldiers. Since we ourselves became involved in the war we have known that our own armed forces must also take part in the fight, but we have not swerved from our policy of the maximum possible aid to our allies.

"In the Egyptian campaign we can see the vindication of the lend-lease idea. We propose to continue to expand our lend-lease aid to all our allies until complete victory is achieved."

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, NOVEMBER 10¹

Read to the press November 11]

For more than ten years it was my responsibility to act as the representative of the United States in Tokyo. Throughout that time I was aware of the portentousness of American-Japanese relations. It is scarcely a confession to me to admit to you that this responsibility was the weightiest—and at the end the most awful—which I have ever borne. Yet in coming before you tonight I feel that I am carrying out a mission even more urgent, even more weighty, than the one I undertook in Tokyo. In Japan I served as the representative of the American people and Government; with my colleagues in the world-wide system of the Foreign Service I sought to hold America's diplomatic front against the threat of crisis and

But in coming before you tonight I carry no formal diploma. My mission is not to any one of you alone but to all of you. I am armed by my own knowledge of dangerous events and to put that truth before you. I can succeed only if I make this truth plain to each of

The truth I bring to you is simple. It is the truth of the power of our enemies, the Japanese. In telling this story to you almost directly from the heart; it is not so many months ago that I lived

Delivered by the Honorable Joseph C. Grew before the Academy of Political Science, New York, N.Y., November 10, 1942.

in the midst of our enemies, that I beheld their power, and saw the "glory" which they thought their weapons had achieved. Even in coming back to America I saw further evidences of the terrible power and successful criminality of Japan. I saw one of the world's greatest naval bases—Shonanko on Shonanto. A huge city fed the commercial and war fleets of victorious Japan. Rubber and oil were plentiful—for Japan. Out of sight, but known to be there, huge shipyards and drydocks worked for Japan. A cosmopolitan population, vast in number and including thousands and thousands of English-speaking prisoners, worked in bondage for Japan. That was *Shonan*, which is the Japanese phrase for *southern glory*. Not so long ago we knew it as Singapore.

We cannot and must not deceive ourselves about the war in the Pacific. Japan launched the northwestern and far-western Pacific campaigns. These were a war in themselves, and Japan has temporarily won that particular war. Japan has beaten us in the Philippines—and our allies in neighboring areas—as she has never beat the Chinese in China. What we now face is a long, slow recovery of our own losses—only ultimately the attack on the enemy's own cities and bases—if we do not realize the magnitude of the task and equip ourselves for it. We rejoice at each victory of our armed forces in the Solomons, forgetting that a few months ago the Solomons were uncontested British territory.

We must remember that each victory won today is only a stepping-stone in the rolling back of Japan's advances.

Let me tell you why Japan succeeded. Let me present the case to you forthrightly and simply. To you, I am no representative of a foreign power, pleading for the recognition of a cause. I am your own former ambassador from Tokyo, and I plead for nothing but the truth. This truth can be put in three sentences:

Japan temporarily won the struggle for the western Pacific because Japan was immensely strong—physically strong, technically strong, militarily strong, and, most of all, psychologically strong.

Japan—the Empire of Nippon—was strong when the war started; but the new Japan—the great slave empire of the “Greater East Asia”—is today potentially the strongest power in the world.

Japan can be beaten; but Japan can be beaten only by physical and moral strength equal to or greater than her own, and that strength can be supplied only by the all-out effort of all Americans.

There you have it. These three sentences are all I have to tell. Some of you may see the picture, the whole picture, now. Others may prefer that I follow out, in general terms at least, the implications of these statements.

First, Japan is strong. Japan is not a little country. The Japanese are not a little people, except in stature, and they more than compensate for stature by vigor and skill. There are more Japanese than there are Englishmen or Frenchmen or Italians. Japan is about as populous as the German Reich, and each single Japanese is a part of an effective war machine. Man for man, nation for nation, Japan measures up to the highest standards of organized power in the modern world.

Japan is civilized, in her own way. This civilization is deep and beautiful, but its culture has a streak of brutality and subservience in it which makes Japanese ideals alien to ours or to the ideals of the Chinese or any other of her neighbors. Japan was well-ordered and

metropolitan when New York, in our infant Republic, was a small commercial port and Washington a scattered village in the thickets along the Potomac. At that time the Emperor Napoleon never saw—perhaps never knew about—the largest city in the world he sought to conquer. That city was not his Paris, nor the London he sought to conquer, nor the Moscow where he met nemesis; that largest city was Yedo, which we know as Tokyo, where a vast dictatorship held a great urban culture under absolute and unrelenting control. Out of this old, big, rich, strange civilization, there emerged the power and brutality of modern Japan. It was no miracle that Japan adopted our machinery and our weapons so rapidly. Japanese civilization did it—despotic, sophisticated, military civilization.

Japan is unified and pervasively governed. The Japanese live by their own rules. They swept ahead of Asia by the dictates of their rulers. They were accustomed to authoritarian totalitarian government from the ages of their past growth. When Hitler was a maladjusted unhappy student, and Mussolini an ardent young radical, the Japanese military leaders were men of foresight and ruthlessly clear vision. They already had an obedient, faithful people at their command—a people who believed in the rule of the warrior, in the unfreedom of the common man, in the superiority of the Japanese race to all others, and in the absolute incontrovertible rightness of what their government did. Japanese democracy never went behind these assumptions; Japanese freedom never included the freedom to challenge the emperor—literally, the national body—of the Empire of Japan. Hitler fought the German people first, with the stormtroopers and the Gestapo, before he captured the German state and the German *Wehrmacht* as instruments of renewed attacks on free men; but the Japanese leaders never faced an effective opposition. They inherited their power from the dictatorial, military past of Japan; when the hour came for them to bid for wider power, perhaps for world dominion, they stepped smoothly into that inheritance. Today we probably have spirit allies among the German people; we have

ong the Japanese. Whatever they may have
ieved, the Japanese today support their gov-
ment. That is the difference between the
w, new authoritarianism of Hitler and the old,
ve authoritarianism of Japan. Germany
ll stand just so much and will then collapse
m within; the Japanese will stop fighting
ly when the last platoon of infantry and the
t torpedo-boat crew on the water have no
ther hope. It is my considered opinion—
d in the course of two wars I have seen each
first hand—that as soldiers the Japanese are
nitely superior to the Germans.

Civilized, unified, military, Japan is also up
date. In the big cities of Japan skyscrapers
ated on pools of sand, ingeniously built to
hstand the concussion of earthquake. The
eets are asphalted and clean. Busses and
etecars run regularly and well. Private
nes are cheaply built but simple and tasteful;
e Japanese find them comfortable, and if one
ns down it costs a fraction of the cost of an
ivalent American home to replace. The
apanese have extracted the best of their old
ift and the best of modern industrialism.
ey combine them. In the shadow of long-
ge electric power lines, the common peasants
low an intensive agriculture which keeps the
ne empire blockade-proof and self-sufficient.
the modern factories, which produce at
eds and standards equaling our own, the
or force lives by the old Japanese scale and
kes possible the price competition which we
knew before the war. This up-to-dateness
Japan, economically as well as psychologi-
ly, depends on the traditional Japan. The
apanese soldier or sailor who lives and fights
e a Spartan is not undergoing privation; he
s been a Spartan from birth. Just because a
apanese operates a battleship, a machine lathe,
modern locomotive, or a combat plane, he does
t become un-Japanese; he is still a tough,
mply satisfied man who believes in obedience
d who is used to hard living because he has
own no other. To call a Japanese worker or
dier a "coolie" is to forget the most dangerous
ng about him: the fact that he, no less than
a or I, is a man of the twentieth century and

can fight, perhaps beat us at some of our own
games and with some of our own weapons.

Such is the home empire of Nippon. I do not
have time to tell you of the internal sea com-
munications which make of the Japanese Em-
pire an immense, immobile, and unmovable
fleet—a fleet larger than the mind of man has
ever dreamed of building—anchored forever
close to the coast of Asia. Islands are unsink-
able aircraft carriers, and Japan is all islands.
Beyond this, I wish there were time to tell you
of the newly built, up-to-date Japanese mer-
chant marine, of the efficient navy, the huge
army, the indispensable factories working at
full time, the diversity and richness of the re-
sources of Japan. You have known that these
things were there; remember it now, keep it in
mind, and consider with me what Japan has
added.

To the home empire which I have described,
Japan has added immense possessions in three
wars of conquest: the war with China in 1895,
the war with Russia in 1905, and the present
war, which began in Manchuria in 1931. Japan
has taken Korea, China's Manchurian provinces,
the grain lands and coal and iron of north
China, the dairy land of inner Mongolia, the
coast and main rivers of most of China, with
the biggest cities of China; Japan has taken
Formosa and Hainan, Indochina and Thailand,
Burma and British Malaya, the vast empire of
the Netherlands Indies, our daughter democ-
racy of the Philippines, some of the British,
Portuguese, and Australian islands of the south-
west Pacific, and the strategic Andamans in the
Bay of Bengal. Militarily and navally, this
new and greater empire depends on internal
communications, which—in simple language—
means that we have to go the long way around
while they work the short way through. To
contain and roll back such an empire, the en-
circling forces cannot be merely equal; they
must be superior, and be superior in geometric,
not arithmetical, ratio. Economically—mark
this, for here is the very essence of danger—
economically, the so-called "Greater East Asia"
contains everything, absolutely everything,
which a great power needs. Grain, meat, fish,

fruits, tobacco, palms for oil, sugar, rubber, oil, coal, iron, electric power, labor skilled and unskilled—all of this is there. The strong Japan which has defeated us and our allies momentarily in the Far East has become "Japanese East Asia". If Japan could defeat indomitable China, organize her present holdings, consolidate her position, Japan—not Germany, not Britain, not Russia, not ourselves—Japan could become the strongest power in the world.

The Japanese need only one thing: time. They must try to correct their own political mistakes and military offenses. They must try to browbeat or cajole the peoples whose lands they have occupied. They must get the machinery, technical and financial, of exploitation going at full blast. Japan is entrenching herself in this empire of her conquests so rapidly that days are our most precious possessions in the war. To lose a day is as bad as losing a ship. We cannot wait. We cannot be leisurely. We cannot afford debate, or disunity, or indecision. Japan is getting stronger every hour, and this new Japan is not merely our equal; the new Japan is potentially our military superior. If we fight there, soon, and hard, we shall not have to fight here, later on, and with heavy handicap.

Do you not see the second of the truths I have stated: the fact that this new Japan, conceived in the invasion of China and born in the conquests of 1942, is a new, terrible power not known before in the world? We cannot let this slave empire become entrenched! I am sure that you cannot fail to see this.

As Americans, we can see the third truth in our own hearts. We know that there cannot be the slightest doubt of our own victory; but we must all see and understand that the task is a heavy one. China, the largest and most patient nation in the world, has stopped the thrust of Japanese invasion with the living bodies of her young men—indeed of men, women, and children; she has built a new and unforgettable Great Wall with the heroic Chinese dead, who have died to protect free men in China and everywhere. But China has done her share, and more; China alone cannot defeat Japan. We must weight and tip the scales to

victory. We cannot accept an armistice or stalemate, for the hours are with Japan, not with us. If we do not fight at our very hardest, and fight now, the period of our blood, sweat, and tears may be indefinitely and unnecessarily prolonged. We cannot pause, or hesitate, or kill time—"as if you could kill time without injuring eternity!"

The Japanese are counting on our not being prepared to make great sacrifices. They have put great store in what they think to be our softness. They look upon us as constitutional weaklings, demanding our daily comforts and unwilling to make the sacrifices demanded for victory. The Japanese attach great importance to what they thought was our disunity over the war issue, and they count on us to delay before we develop a fighting spirit. That delay, they feel, will give them time to obtain complete control of all east Asia. When they struck, they made no provision for failure; they left no room open for retreat. Japan is counting on you on each of us, one by one—to hold back and delay the American war effort long enough for Japan to consolidate her potential invincibility. Japan needs and relies upon your hesitation, partial effort, or doubt. It is up to you and me to see that Japan does not get this.

If we act soon, we can strengthen our Chinese ally. We can, as Mr. Forrester recently pointed out, continue to protect Russia's Asian flank by holding Japan's forces in the Pacific. We can restore hope and can carry the fight for freedoms to all the peoples now enslaved by Japan. If we fight and give aid now, we shall still have allies in Asia, bases in Asia, and our enemy not yet wholly prepared. Any advantages of delay today can be purchased only at one price: larger numbers of deaths of our own soldiers and our allies' today and tomorrow. We can buy additional hours for leisurely preparation with additional lives of our young men. We could buy peace only with our national honor and our own security. None of us wants to do this.

We must, therefore, be prepared to go forward against Japan with a full realization of the nature of our task and the gravity of our

responsibility. Every adult in the United States, even every child that can walk and speak, can help in some way to promote the war effort. The troops are only the fighting front of the army which is America. We are all enlisted—by necessity—in this war for freedom. In this little we can do no better than to recall and to

make our own resolve in the words of an American soldier, Martin Treptow, who fell at Chateau Thierry. He wrote in his diary:

"I will work; I will save; I will sacrifice; I will endure; I will fight cheerfully and do my utmost; as if the whole struggle depended on me alone."

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, NOVEMBER 14¹

[Released to the press November 14]

It is necessary that we now assess, coolly and passively, the events of the past 90 years in the Pacific—the 90 years that have elapsed since Commodore Perry concluded with Japan a treaty which opened the way for the subsequent admission of Japan into the family of nations.

We are today being given dreadful evidence at the process of Japan's emergence from three centuries of isolation and of her assimilation into the family of nations is far from complete. Except for brief contacts at widely-spaced intervals—the introduction into Japan of Chinese learning and arts in the seventh and eighth centuries and the propagation of Roman Catholicism by Portuguese and Spanish priests in the sixteenth and seventeenth centuries—Japan had, for geographic and other reasons, been in virtual isolation since the very beginning of her history. Her civilization and culture had evolved, therefore, in a wholly self-contained environment. She had contributed nothing to the world at large and, notwithstanding superficial evidence to the contrary, she had remained, politically, socially, and intellectually, impervious to spasmodic foreign influences. Her polity, then as now, was tribal in character. As a nation the Japanese possessed the virtues of a tribal community: homogeneity and subordination of the individual to the community; but they also possessed the defects and weaknesses of a primitive community:

they revered the tribal sanctions and feared change. They had relentlessly suppressed any attempt to apply reason to the persistent problems of man, the understanding of them and the effort to resolve them constituting his chief warrant for claim to superiority over other animals.

The position in the western Pacific during the early 1850's was one which the Japanese were studying with great uneasiness. The activities in the north by Russia gave progressively persistent notice of the restlessness of a vigorous continental people and of their gradual but inexorable movement southward along the eastern littoral of Asia. British influence, on the other hand, was steadily being extended northward from Malaya and along the China coast, with indications that the British were giving profound attention to the economic potentialities of Japan as well as of China. European influences, which were fated shortly to conflict with each other, appeared to be moving toward each other along the coast of Asia; conceivably they might meet in Japan, which might well become an arena for the quarrels of European powers.

Although the American Government was cognizant of the trend of these movements in the Pacific, its purpose in sending Commodore Perry to Japan in 1853 was primarily to ameliorate conditions which grew out of the growing commerce of the United States with China and the presence of a large number of American whaling ships off the coast of Japan. The advent in the China trade of steamships, with their limited capacity to carry coal, created insistent need for at least one coaling station intermediate

¹Delivered by the Honorable Joseph C. Grew before Chicago Council on Foreign Relations, Chicago, Nov. 14, 1942, and broadcast over the red network of the National Broadcasting Company.

between the Pacific coast of America and China. Further, American vessels had been shipwrecked in Japanese waters and American seamen, it will be recalled, had been treated with inconceivable brutality. A third consideration was the need for establishing depots in Japan from which American whaling ships could restock themselves and thus obviate the need to make the long haul to Honolulu and back whenever they ran short of supplies.

After incredible obstacles and difficulties, Commodore Perry succeeded, on March 31, 1854, in concluding with the Japanese a treaty which, although limited in scope, met the immediate needs of the moment. However, it contained one feature the importance of which the Japanese had not foreseen, and that was the assent of the Japanese to the stationing in Japan of an American consular officer. It was in the exercise of that treaty provision that the United States dispatched to Japan in 1856 its first diplomatic representative, Townsend Harris.

The selection of Harris for the post was an extraordinarily happy one. He had spent many years in the Orient as a merchant; he had acquired a familiar knowledge of Japan and of the Japanese, of their form of government, of their customs, and of their characteristics; and he had dedicated himself to the task of helping the Japanese to prevent the extension to Japan of exploitative practices pursued by the white man in his dealings with the backward peoples of the East. Harris also was keenly aware of the possibility of Japan's becoming a battleground for competitive European influences. So long as Japan remained in seclusion, with her doors shut to foreign intercourse of any kind, she was not entitled to the privileges which membership in the family of nations would confer; and it was Harris' aim to induct Japan into the family of nations under the most favorable auspices. He prepared and, after intolerable delays and indignities imposed upon him by the Japanese, presented to the Japanese Government a Treaty of Commerce and Navigation of the most liberal character possible. He told the Japanese that, this being their first treaty of commerce and navigation, they would be well advised to ac-

cept it as he had prepared it, so that when other nations sought special privileges in Japan it would be in order for the Japanese to say to such nations that what was good enough for the United States was good enough for them. It took Harris two years of patient and tactful negotiation before his treaty was signed. In this American did far more than negotiate a treaty. He educated the Japanese officials in the ways of diplomacy, international law, economics, and commerce. He provided Japan with the information which she needed to meet her place in the world. He answered innumerable questions on every conceivable subject: on social customs of the Occident, mechanics, contemporary science. He taught the principles of currency and exchange. A Japanese, Dr. In Nitobe, wrote of him: "A man of stern rectitude and gentlest powers of persuasion, he, indeed more than any other, deserves the epithet benefactor: because in all his dealing with the weaker party, he never took advantage of our ignorance, but formulated a treaty with the strictest sense of justice."

I have spoken at some length of American first representatives to Japan because, in what I shall have to say about Japan's conduct as an international power responsible to the law of nations, it might otherwise appear that the United States, as the government responsible for the opening of Japan to the world, somehow failed to exemplify the conduct to be expected in the field of international relations. We can look with pride upon a record of rectitude and honest dealing and the absence of imperialistic design.¹

Now what about Japan's own record in the field of international relations? How has she reciprocated the treatment she has received from our hands ever since the time of Townsend Harris?

Let us look at the record.

First take the case of Korea. Thirteen hundred and more years ago the Japanese lo-

¹The foregoing is based upon material in the manuscript of a book in preparation by a member of the staff at the former American Embassy in Tokyo. [Author's note.]

long-held dominion which they possessed at the time of Korea. The formidable fleets and armies of a resurgent China drove Japan, with Korean help, out of the peninsula; and from the seventeenth century after Christ to the sixteenth, the Japanese minded the lesson they had been taught by force. At the end of the sixteenth century a Japanese military dictator, Hideyoshi, launched a grandiose attack on Korea. He himself declared this to be the first step in the conquest of Asia, and he sent insulting letters to the Ming court of China and to the Spanish authorities in the Philippines. He announced that with his forces he would roll China up like a mat and would ultimately proceed against India. But the Chinese Throne sent armies to Korea to help the Koreans; the Japanese, after committing fearful depredations, were stopped; and the imperial ambitions of Japan proved unavailing before the popular resistance of the Koreans and the limitless patience of the Chinese Army.

After the reopening of Japan by Perry, ambitions of Japan on the continent, which had been dormant since the time of Hideyoshi, began again to assert themselves. China maintained over Korea a shadowy suzerainty, which had little significance beyond the tribute paid periodically by the King of Korea to the Emperor of China. That suzerainty was more a manifestation of the cultural sentimentalities between the two countries than it was a definite political relationship. The Japanese strove, wholly against the wishes of the Koreans, to break that bond. They provoked incidents. They went to war against China in 1894 and 1895 and wrung from a defeated China the solemn recognition of Korean independence.

Nevertheless, the Japanese turned—in the midst of the war with Russia—and thrust upon Korea the status of a dependency. Japan took over Korea as a protectorate, while renewing her pledges of limited independence for Korea. When Japan demanded independence for Korea; when independence came, Japan violated it. Japan imposed a protectorate and promised Korean autonomy. In 1908 the honored and famous Marquis Ito reiterated his government's pledge

by announcing that Japan would not annex Korea. In 1910 Korea was annexed. There are the pledges, and there the performance.

Another case, the Washington Conference and the years that followed. In 1921 the representatives of nine governments met in Washington to consider the problems of the Pacific area and to forge instruments which would guarantee peace and stability in the Far East. One of the results of this conference was the Four Power Treaty, by which four governments—Japan, the British Empire, France, and the United States—pledged themselves to respect each other's island possessions in the Pacific.

But in 1939 Japan declared without conference with the other contracting parties that she had annexed the Spratly Islands in the China Sea—lands that had long been claimed by France. By 1940 it became apparent from the statements of the Japanese Foreign Minister, Mr. Matsuoka, that Japan considered any and all islands in the "Greater East Asia" sphere to be fair game. History has demonstrated only too clearly the scope of Japan's intentions and the thoroughness of its disregard for its own pledges.

Japan gave another pledge at the Washington Conference: a pledge regarding naval limitations. Associating itself with other leading naval powers who were anxious to bring stability to the Pacific, the Japanese Government promised to cooperate in reducing the heavy burden of naval expenditures.

This treaty Japan denounced in 1934, with the result that it expired two years later. While Japan was acting strictly within its legal rights, any hope for stability in the Pacific collapsed with the end of this treaty. Reports of Japan's heavy naval construction program forced the other naval powers to resume competitive arming, thus fortifying the groundwork for a war in the Pacific.

Look next at Japan's record with regard to the mandated islands in the Pacific. When in 1920 Japan received the mandate for those islands formerly under the German flag, it was with the promise—and I quote—that "no military or naval bases shall be established or forti-

fications erected in the territory". A further agreement with the United States in 1922 stipulated that American missionaries would be allowed to settle in the islands and that the usual facilities would be extended to American vessels calling at their ports.

And how were those promises honored? From the very beginning Japan discouraged the visits of foreign nationals. Police regulations, delay, every form of obstructionism was brought to bear on any persons other than Japanese who attempted to enter these islands. When war broke over the Pacific, Japan's lack of faith in holding to her obligations became dangerously apparent.

Pledges were also given to respect the rights of France and the Netherlands to their Pacific possessions.

On February 4, 1922 Japan, along with other countries with interests in the Pacific, informed the Netherlands Government that "it (Japan) is firmly resolved to respect the rights of the Netherlands in relation to their insular possessions in the region of the Pacific Ocean." This pledge was in effect reaffirmed on April 15, 1940, when the Japanese Minister for Foreign Affairs, Mr. Arita, said, "The Japanese Government cannot but be deeply concerned over any development accompanying the aggravation of the war in Europe that may affect the *status quo* of the Dutch East Indies."

As soon, however, as Germany had occupied the Netherlands, Japan used every pressure within her means to extort economic concessions and privileges from the Netherlands East Indies. Nothing but the brave and stubborn resistance of the Netherlands officials to these proposals prevented Japan from forcing the other powers out of this economic market.

On June 19, 1940 the Japanese Foreign Office, through its spokesman, Mr. Suma, announced that the maintenance of the *status quo* in French Indochina was of equal concern and importance to the Japanese Government.

Yet, as soon as French resistance had been broken in Europe, the Japanese Government demanded and obtained special military rights in northern Indochina. Japanese troops moved into French territory. Airports were taken

over. And Japanese officials, true to a form which by now had become pretty well established, went on announcing that their government had absolutely no designs on territory that was in the very process of being occupied.

Thus, on September 24, 1940 Mr. Suma declared that, far from having any territorial ambitions in French Indochina, his government was moving in its armed forces only in order to settle the China Affair. This disingenuous remark, which excused one aggression on the claim that it was necessary in order to carry out another, apparently struck Mr. Suma as very good logic.

Again, on December 9, 1940 the Foreign Minister, Mr. Matsuoka, said: "Our objectives in the south are purely economic. We are again not conquest, oppression, and exploitation by Japan as much as by any other nation." This, after nearly 10 years of armed aggression in China.

On February 25, 1941 another exhibit was added to this collection of statements when the spokesman for the Japanese military mission in Indochina insisted that Japan wanted no naval or military bases in southern Indochina, but only, as he explained, "rubber and rice to help Indochina prosper in the new order of eastern Asia". If to take by robbery the commodities of a country means to help that country "prosper", the lands of the Pacific war under Japanese control are blessed indeed.

But of all the aggressions which have written the name of Japan in infamy upon the pages of history, those against the country and the people of China make the blackest mark. The story goes back a long way, and I can point to but a few of its chapters.

In 1908 Japan and the United States entered into an agreement regarding their respective policies in the Pacific. One of the provisions stated that the two governments "are also determined to preserve the common interest of the powers in China by supporting by all peaceful means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of the nations in that Empire."

Yet in 1915, while most of the great powers were locked in struggle on the European con-

At, Japan secretly presented to China its notorious "twenty-one demands". You will recall that these demands, if they had been met, would have made of China a vassal state. The terms included recognition of special rights in Shantung, Manchuria, and Mongolia, equal ownership in the largest mining and smelting company in mid-China, leased harbors in Fukien Province, and the employment of none but Japanese advisers. China's Army and Navy were to be trained by Japanese officers, and schools teaching the Japanese language were to be opened throughout the land. No agreements between China and a foreign power with respect to loans, building of railroads, or the construction of harbors in Fukien were to be made until Japan had been consulted.

By permitting knowledge to be published regarding these demands which Japan had hoped to keep secret, Yuan Shih-kai, President of the young Chinese Republic, was able to obtain a clarification of the more flagrant items and a postponement of some of the requests for Japanese control.

In signing the Nine Power Treaty at Washington, Japan again pledged her respect for China's sovereignty. Specifically, Japan promised to respect "the sovereignty, the independence, and the territorial and administrative integrity of China".

And what was the result of this solemn promise?

In 1931 the military occupation of Manchuria was begun on the flimsiest of pretexts. At the very moment when Japanese armies were overrunning Manchuria, the Japanese Government issued a statement which included the following words: "It may be superfluous to repeat that the Japanese Government harbors no territorial designs in Manchuria." Superfluous indeed! At the world was learning that any such statement was a practical notification of aggressive intent.

In March 1932 a Japanese puppet regime was installed in Manchuria. This regime shortly afterward signed an agreement which authorized the stationing of large numbers of Japanese troops within its borders. The troops have not been removed to this day.

Eight months after this step had been taken, Mr. Matsuoka, as a delegate, stated before the Council of the League of Nations: "The policy, the hope, the determination of my country is the maintenance of peace. We want war with no nation. We want no more territory. We are not aggressors. We desire deeply and earnestly the welfare of our great neighbor."

Within a month of Mr. Matsuoka's reassuring statement, Japanese forces had overrun the whole of Manchuria. In 1933 they moved into the adjacent province of Jehol.

Two years later a movement for what was called autonomy in north China was begun by the Japanese. In 1937 war broke out again near Peking. Twenty days after the first exchange of shots near the Marco Polo Bridge, Prince Konoye, then Premier, said: "In sending troops to north China, of course, the Government has no other purpose, as was explained in its recent statement, than to preserve the peace of east Asia."

The peace of east Asia? China has experienced this kind of peace for 11 years. It has suffered the embrace of a self-styled friend who has bombed its civilian population and its undefended cities, wantonly destroyed or appropriated the cherished personal possessions of millions of its people, pursued and machine-gunned the homeless, and committed the atrocities of Nanking paralleled on smaller scale in a thousand and one other places. China knows that what Japan means by peace is utter submission or extinction. China knows what all of us must learn, and learn quickly: that, faced with such a foe, there is no effective argument but crushing, total military defeat of the enemy and the thorough elimination of the militarist attitude, the militarist training, the militarist institutions, and the militarist leaders who have let loose this plague of destruction.

In 1939 Japan continued her well-made schedule of conquest by occupying the large Chinese island of Hainan and establishing a naval base there. This island, as we now know, was later used as a training base for the troops that were being schooled in the jungle tactics that Japan's militarists were already developing

for their attacks in the Philippines, in Malaya and Java, and throughout the Far East.

In 1940 the now familiar pattern of the Japanese puppet state was imposed upon the provinces of north China, Nanking was dubbed the capital of the renegade "central government" of Wang Ch'ing-wei, and the world was scarcely surprised or startled when Japan recognized this regime as the "National Government of China".

If the world still hoped that after setting up a puppet regime in Manchuria Japan would at least respect the promises of free commercial opportunity which she had made in the Nine Power Treaty, it did not have to wait long for disillusionment.

Yet the same sweet words preceded in the usual fashion Japan's shutting of the door. The puppet regime in announcing its independence was made to say: "The foreign policy of the new state shall be to seek and further promote cordial relations with foreign powers by winning their faith and respect, and strictly to observe international conventions. Foreign investments by any nation shall be welcomed for the furtherance of trade and the exploitation of natural resources, thus bringing the principles of the Open Door and equal opportunity and the like to a fuller realization." The so-called "protocol" by which Japan recognized its puppet state made a point of referring to this pledge.

Yet, as quickly as these promises were made, monopolies in favor of Japanese nationals and corporations were set up which effectively shut out not only American and other western powers from trading rights but the Chinese themselves. And as Japan's military control extended southward in China, American and other non-Japanese business activities were systematically pinched, crowded, or shouldered out. The door to China was to open only at the magic touch of a Japanese. One is reminded of the words with which Perry was greeted: "The place is not designed to treat of anything from foreigners. You will leave here."

There are many other chapters in the story of Japan's pledges and performances—the pledge, for instance, which followed the sinking

by the Japanese of the U.S.S. *Panay* and the other American vessels in the Yangtze River. Part of the settlement asked by the United States Government and given by Japan was assurance that American nationals and property in China would not again be attacked or interfered with. In a note to the United States Government of December 24, 1937 the Japanese Government said, "Rigid orders have been issued to the Military, Naval and Foreign Office authorities to pay, in the light of the present untoward incident, greater attention than hitherto to observance of the instructions that have been repeatedly given against infringement of, or unwarranted interference with, the rights and interests of the United States and other third powers."

Nevertheless, Japanese forces continued to bomb American property in China, even where no conceivable military objective would be served and even though such properties were clearly marked with American flags. Several hundred of these inexcusable violations are on record in the Department of State. They include the damaging of other American naval vessels, the bombing of mission properties, mistreatment of Americans by Japanese soldiers, and the imposing of baneful restrictions upon American commercial and business activities.

It is needless to prolong the story through its chapters. An editor of the *Atlantic Monthly* is credited with the comment, when charged by an aspiring author with having failed to read his whole manuscript, that it is unnecessary to eat a whole egg in order to know that it is bad. It is unnecessary to produce the whole history of Japan's depredations and broken promises. Japan's opening of hostilities without warning, its bombing of Chinese towns—both acts in violation of a convention signed by her government—would lead us to a different conclusion than that to which the examples already given inevitably and conclusively lead.

The men now controlling Japan are ruthless, unscrupulous, and dangerous. They are impeded by the moral scruples which are the basis of good government and of sound international relations.

nal relations. They give no quarter and they seek none. They know what they want, and what they want is nothing less than world domination. No means are unjustified in their eyes which will take them toward that goal. They are possessed of a dangerous and fanatic belief, which we can scarcely hope to understand, that Japan's domination over all the world is not only possible but desirable and attainable.

We cannot treat with such men. We can only defeat them. There is no solution other than complete military victory—a victory to which we must devote every ounce of our energy, our strength, and our skill.

What likelihood is there, then, that when the war is won as we must win it we shall have any ground on which to meet Japan for a settlement? How may we insure ourselves against a repetition of the present tragedy?

There are many evidences in Japanese history during the past 80 years of a deep dissatisfaction with authoritarian government. Japan too has had its liberals, its radicals, its demands for popular government, its labor movements, its aspirations toward that true representative government which we believe to be essential to the progress and development of mankind.

Through the complete discrediting of its militarists, by overwhelming defeat, Japan

must be purged of those elements which have made it a dangerous and untrustworthy neighbor.

Some day another American will land on Japan's shores. He too will come to a country whose government is tottering—perhaps fallen completely. He will come to a land which has tried the way of conquest and found, as other conquerors have found, that the goal was an illusion. He will find a people broken with the burdens of a desperate war—a people hungry, decimated, disillusioned. He will have a great opportunity—he and the other men of the United Nations whose task it will be to bring order out of the chaos of defeat—to take advantage of that disillusionment and to work in cooperation with those within the country who have waited and even now wait for such an opportunity. For it is a task which the United Nations cannot, dare not shirk, to see that the feudal militaristic spirit which has brought death to millions shall never again rise to do battle in an unrighteous cause. Strong in the faith that man desires the good if he can but truly know it, we—the United Nations—must carry to Japan our historical faith in the orderly process of self-government under law, in the right of the individual to live without the shadows of fear and want and ignorance, and into the clean sunlight of freedom and of truth.

THE POSITION OF ITALY

ADDRESS BY ASSISTANT SECRETARY BERLE¹

Released to the press November 15]

FRIENDS:

It is altogether fitting that you, Americans of Italian ancestry, have gathered here tonight to take counsel concerning Italy. You have come from the loins of that country, you speak her language, and seek now to preserve Italian nationhood and the Italian soul.

Delivered at the joint meeting of the Mazzini Society and the Italian-American Labor Council, New York, N.Y., Nov. 14, 1942, and broadcast over Station WOR.

You have asked what Americans of Italian ancestry, speaking with the voice of America, can say to the plain people of Italy.

We are divided today from the masses of Italy by a battle line. But if for a moment we could cross that battle line, and could speak to them face to face, we should say this:

You are Italians, enslaved today by Fascist masters who secured and held power by the methods and with the ethics of gangsters.

These Fascist masters, in their turn, have betrayed the country to Nazi tyrants beyond the

Alps, and have sold you as mercenary soldiers to fight the battles for Hitler.

You seek to be free, and you ask how freedom can be secured.

Freedom is not a gift: it is an achievement. You must attain it yourselves. But, when that freedom is won, certain pledges have been made to you and to the world.

The first right which grows from the achievement of freedom is the right to maintain and preserve it, in friendly and law-abiding relations with the other nations of the world.

We know, and you know, that you have much to undo, in the hard but splendid road toward liberty. No nation can lose its freedom for 20 years without suffering the consequence of that loss. Italy has been led into grievous and terrible ways. Fascist dictatorship appeared first in Italy. It subjugated Italians by terrorism, torture, imprisonment, the lies of a controlled press, by murder. This Fascist leadership led an Italian army to conquer Abyssinia; stabbed a defeated France in the back; seized the quiet country of Albania; invaded Greece, a friendly neighbor; and maintains uneasy armies in Yugoslavia.

Like all evil conceptions, the Fascist domination of Italy at length is destroying itself. They were forced to call to their help the Nazi tyrants from beyond the Alps. For this help they paid a price: the liberty of Italy. Their Nazi ally now treats them as a conquered country of serfs. Its secret police is in every village, and Nazi officers sit in every Fascist Ministry of State. Cynically, Hitler used Italian youth as his mercenary soldiers in Russia and in Egypt. When his commanders were defeated in Egypt two weeks ago, they took all available supplies and, deserting, left Italian soldiers to perish miserably in the Egyptian deserts while the German contingents saved themselves.

Today Italy is short of food and Italian children want milk. Yet her food is taken against her will for Germans, who already have more than she. Marshal Goering cynically stated that all Europe, which includes Italy, would starve to death before Germans went hungry.

It will be remembered that in the last World War Americans fed Italy, and the young men in your armies, as children, drank American milk.

As the march of dictatorship in Europe began in the Mediterranean, so the march of freedom has at length also begun in the Mediterranean.

In 10 days of unparalleled drama, British forces, supported by Americans, overthrew Marshal Rommel in Egypt, cut his army into pieces, and are now driving the shattered fragments across the Libyan waste. Hard upon this victory came an American expedition which in 4 short days accomplished the liberation of all North Africa, from the Atlantic shoulder of Morocco to the coasts of Tunisia. The armies of the United Nations stand within gunshot of the Italian shore.

In the truest sense, the armies under the United Nations flags are armies for the liberation of Italy; they are the allies and friends of the mute, plain people from the Alps to Sicily, just as they are the allies and friends of the plain people of France and of your neighbors, the Yugoslavs and the Greeks.

In this new military situation Italy once more enters the valley of decision. She must decide whether she will exhaust her remaining men, and let her nationhood ebb out as servant of a decaying Nazi state; or whether she will cleanse herself from the evil into which the Fascists have led her, rescue herself from the slavery into which she has been delivered by the bullies and cowards who have dominated her for two decades.

Plainly, there can be no compromise with the cult of Fascist slavery, nor with any of the men who have carried it on. A treaty with the Fascists could be nothing more than a trap for fools. There can be no peace with those who deny the right of peace. There can be no faith in those who insist that good faith must go to the devil of the world. There can be no compromise between free men and slave-masters. Until the Fascist domination of Italy is ended, and until the Italians, however blindly, follow Fascist lead-

ship, there can be no valid dealing save by force alone.

Nevertheless, we in America insist on hoping that the day will come when we can once again welcome into the brotherhood of civilization a free and friendly Italian nation, giving again to the world the fruit of her shining culture and her splendid traditions.

The Italy of history, of the arts, of science, of unparalleled music and poetry, the Italy which peacefully conquered in the glorious competition of thought and ideas—that Italy must be saved, for who can imagine a world without Italy?

The United Nations have made a pledge to Italy, as to the entire world. It was drawn on the warship in the Atlantic by President Roosevelt in consultation with Prime Minister Churchill, and proclaimed on August 14, 1941. On New Year's Day of this year, all the United Nations accepted this pledge as their basis of hope for a better future of the world:

Their countries seek no aggrandizement, territorial or other;

They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned;

They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights restored to those who have been forcibly deprived of them;

They will endeavor, with due respect for their existing obligations, to further the settlement by all States, great or small, victor or vanquished, of access, on equal terms, to the sea and to the raw materials of the world which are needed for their economic prosperity;

They desire to bring about the fullest collaboration between all nations in the economic field with the object of securing, for all, improved labor standards, economic advancement, and social security;

After the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means of

dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want."

Pledge was thus given not only to the victors but also to the vanquished.

No American seeks to destroy or impair the nationhood of Italy. When Italy, freed from her Fascist gangsters, is able once more to speak to the world, and as the armies of the United Nations achieve that victory which cannot fail, the pledge of the United Nations will be redeemed. This pledge does not contemplate a punitive peace: the aim is justice, not revenge.

A just peace must mean an end of danger from aggression. Secretary Hull, speaking for the Government of the United States, has insisted on surveillance of aggressor nations until there is convincing proof that their peoples "have repudiated and abandoned the monstrous philosophy of superior race and conquest by force and have embraced loyally the basic principles of peaceful processes". In the United States, Americans of all origins live in peace and friendship with many millions of Italian ancestry. We know that under right leadership this people can give that convincing proof. The Italian people now, while the struggle is still in progress, can give unquestioned evidence that the philosophy of conquest and force has been conclusively put aside, by joining the struggle against Nazi and Fascist tyranny.

This is little to ask. It asks of the people of Italy that they shall not condemn themselves and their children to further slaughter; that they shall accept the peaceful arrangements of peaceful peoples; that they shall submit only to those restraints which must bind on free peoples if freedom is to remain in the world. In the truest sense, the Italian nation is offered a freedom beyond the wildest Fascist dreams: freedom of religion, freedom of thought, freedom from want, and freedom from fear; the freedom of farm and vineyard; peace in the olive groves; quiet workmanship

in factory and shop; freedom again to work, to hope, and to live. She is asked to accept those obligations which make these freedoms equally possible for her neighbors.

For Italy, the meaning of victory by the United Nations is this:

Final destruction of the Fascist and Nazi tyranny which has oppressed her;

Opportunity to her people to give convincing proof that she has abandoned the philosophy of superior race and of conquest by force and has loyally embraced the basic principles of peaceful processes;

Enjoyment, with all other states, of access on equal terms to the trade and raw materials of the world which are needed for economic prosperity;

Opportunity to collaborate in securing for all improved labor standards, economic advancement, and social security;

Opportunity to work for the objectives to which the free nations of the world are pledged.

The destiny of the Italian people rests in their own hands.

In this hour of decision, who is the true Italian patriot? Not he who clings desperately and afraid to the chains of the Nazis, who have already declared him to be an inferior breed. Not he who in silence forgets the traditions of his heroes, and allows himself to be driven like a sheep to the slaughter to serve the warlords of Berlin. The Italian patriots of today will be those who now repeat achievements of their great forerunners, who drive out tyranny, who reestablish firm and loyal government, who make their people free, who lead Italy once more into the family of civilized nations.

To those true patriots who undertake the liberation of Italy, we say, You do not act alone. The armies of America and of the United Nations are close at hand, and behind them the full strength of the most powerful nations in the world.

The voice of free Italy has been stilled for two decades. Convincing proof that Italy has repudiated the monstrous philosophies which

have spread death and terror and pestilence throughout the world must be given by Italians who drive out the traitors and foreigners who have led her to the rim of destruction.

When the voice of the true Italy is heard again, we shall hear Garibaldi, Cavour, Mazzini, Matteotti, De Bosis, and Rosselli speak from beyond the grave, saying: "Here again our nation; these are our people."

PROCLAIMED LIST: REVISION IV

[Released to the press November 15]

The Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs, pursuant to the proclamation by the President of July 1941 providing for The Proclaimed List of Certain Blocked Nationals has issued Revision IV of the Proclaimed List, dated November 1942. Revision IV supersedes and consolidates Revision III, dated August 10, 1942, and four supplements thereto.

No new additions to or deletions from the Proclaimed List are made in this revision. Certain minor changes in spelling of names listed, alternative listings for names previously included, etc., are made.

Revision IV follows the listing arrangement used in Revision III. The list is divided into two parts: Part I relates to listings in American republics and part II to listings in countries other than the American republics. Revision IV contains a total of 11,213 listings of which 7,949 are in part I and 3,264 in part II.

Following this revision, supplements will be issued cumulatively. Each supplement will contain additions, deletions, and amendments which have been made since the previous revision. Thus, to determine the status of a given nation it will be necessary to consult only two issues of the List, namely, the previous revision and the current supplement.

American Republics

VISIT TO THE UNITED STATES OF THE PRESIDENT OF CUBA

[Released to the press November 11]

His Excellency General Fulgencio Batista, President of Cuba, will visit the United States as a guest of this Government on the invitation of President Roosevelt, arriving in Washington on December 8. The President of Cuba will spend one night at the White House, after which he will leave for the Blair House to remain for several days. He will subsequently visit other cities in the United States.

VISIT TO THE UNITED STATES OF THE PRESIDENT OF ECUADOR

[Released to the press November 9]

His Excellency Carlos A. Arroyo del Rio, President of the Republic of Ecuador, will visit the United States as a guest of this Government on the invitation of President Roosevelt, arriving in Washington on November 23. The President of Ecuador will spend one night at the White House, after which he will leave for the Blair House to remain for several days. He will subsequently visit other cities in the United States.

Cultural Relations

VISIT TO THE UNITED STATES OF MEXICAN SCIENTIST

[Released to the press November 12]

Dr. Miguel E. Bustamante, Director of the Institute of Public Health and Tropical Diseases, of Mexico City, arrived in Washington on November 11, at the invitation of the Department of State, for a two months' visit to

leading scientific and research centers in this country.

Dr. Bustamante, well known as a scientist both in Mexico and in the United States, plans to visit the National Institute of Health at Washington to study methods of typhus immunization; Vanderbilt University, at Nashville, Tenn., to observe that institution's work and teaching in the fields of public health and nursing; the Department of Biology of the University of Chicago; health organizations in rural Minnesota; and the Rocky Mountain Spotted Fever Laboratory at Hamilton, Mont. He will also confer with Dr. E. Carroll Faust of the Department of Tropical Diseases of Tulane University in New Orleans.

The Foreign Service

CONFIRMATIONS

On November 13, 1942 the Senate confirmed the nomination of Walter Thurston, of Arizona, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to El Salvador.

Treaty Information

COMMERCE

Trade Agreement With Uruguay

[Released to the press November 10]

On November 10, 1942 the President proclaimed the trade agreement between the United States and Uruguay, signed at Montevideo on July 21, 1942. Article XVII of the agreement provides that it shall enter into force 30 days following the exchange of the President's proclamation and the instrument of ratification of the Government of Uruguay, which shall take place at Washington. The Government of Uruguay has ratified the trade agreement, and it is

expected that the exchange will take place within a few days. Following this exchange, the President will issue a supplementary proclamation setting forth the date of entry into force.

The text of this agreement and the texts of the related notes will be printed shortly in the Executive Agreement Series. An analysis of the general provisions and reciprocal benefits of the agreement appeared in the *BULLETIN*, Supplement of July 25, 1942, vol. VII, no. 161a.

CULTURAL RELATIONS

Agreement Between Spain and Argentina

The American Ambassador at Madrid reported by a despatch dated September 14, 1942 that a general cultural agreement between Spain and Argentina was signed at Madrid on September 7, 1942. By the terms of the agreement each High Contracting Party agrees to promote cultural interchange among their peoples in the fields of science and art; to organize the exchange of educational, geographical, or historical motion pictures which may contribute to a better mutual understanding by both countries; to exchange books, magazines, and newspapers which may serve toward a greater understanding of the fundamental problems of each country; to establish on a permanent basis direct radio broadcasts designed to make known the respective scientific literary and artistic activities of each country to the other country; to arrange for the exchange of professors, lecturers, writers, artists, and students and to create scholarships, grant subsidies, and lend whatever facilities each different cultural activity may require; to establish tourist travel so far as possible. The agreement also provides that joint studies be made by bureaus charged with Hispanic-Argentine cultural relations in the respective Ministries for Foreign Affairs for the preparation of supplementary agreements which may be required for the efficient execution of the general agreement.

The agreement entered into force on the date of signature.

INDUSTRIAL PROPERTY

Convention for the Protection of Industrial Property (Revised 1934)

Tunisia

By a note dated September 4, 1942 the Swiss Minister at Washington informed the Secretary of State that the French Embassy at Bern, notes dated May 6 and August 18, 1942, notified the Swiss Federal Council of the adherence of Tunisia to the Convention for the Protection of Industrial Property, revised at London June 2, 1934. The adherence became effective October 4, 1942.

Arrangement Concerning the Suppression of False Indications of Origin on Merchandise (Revised 1934)

Tunisia

The above-mentioned note of September 4, 1942 from the Swiss Minister states also that the French Embassy at Bern notified the Swiss Federal Council of the adherence of Tunisia to the Arrangement Concerning the Suppression of False Indications of Origins on Merchandise as revised at London on June 2, 1934. The adherence became effective on October 4, 1942.

Arrangement Concerning the International Registration of Trade Marks and Commercial Names (Revised 1934)

Tunisia

By a note dated September 4, 1942 the Swiss Minister at Washington informed the Secretary of State that the French Embassy at Bern informed the Swiss Federal Council of the adherence of Tunisia to the Arrangement Concerning the International Registration of Trade

marks and Commercial Names as revised at London on June 2, 1934. The adherence became effective on October 4, 1942.

Deposit of Industrial Designs and Models as revised at London June 2, 1934. The adherence became effective on October 4, 1942.

Arrangement Concerning the International Deposit of Industrial Designs and Models (Revised 1934)

Tunisia

The above-mentioned note of September 4, 1942 from the Swiss Minister adds that the French Embassy at Bern notified to the Swiss Federal Council the adherence of Tunisia to the Arrangement Concerning the International

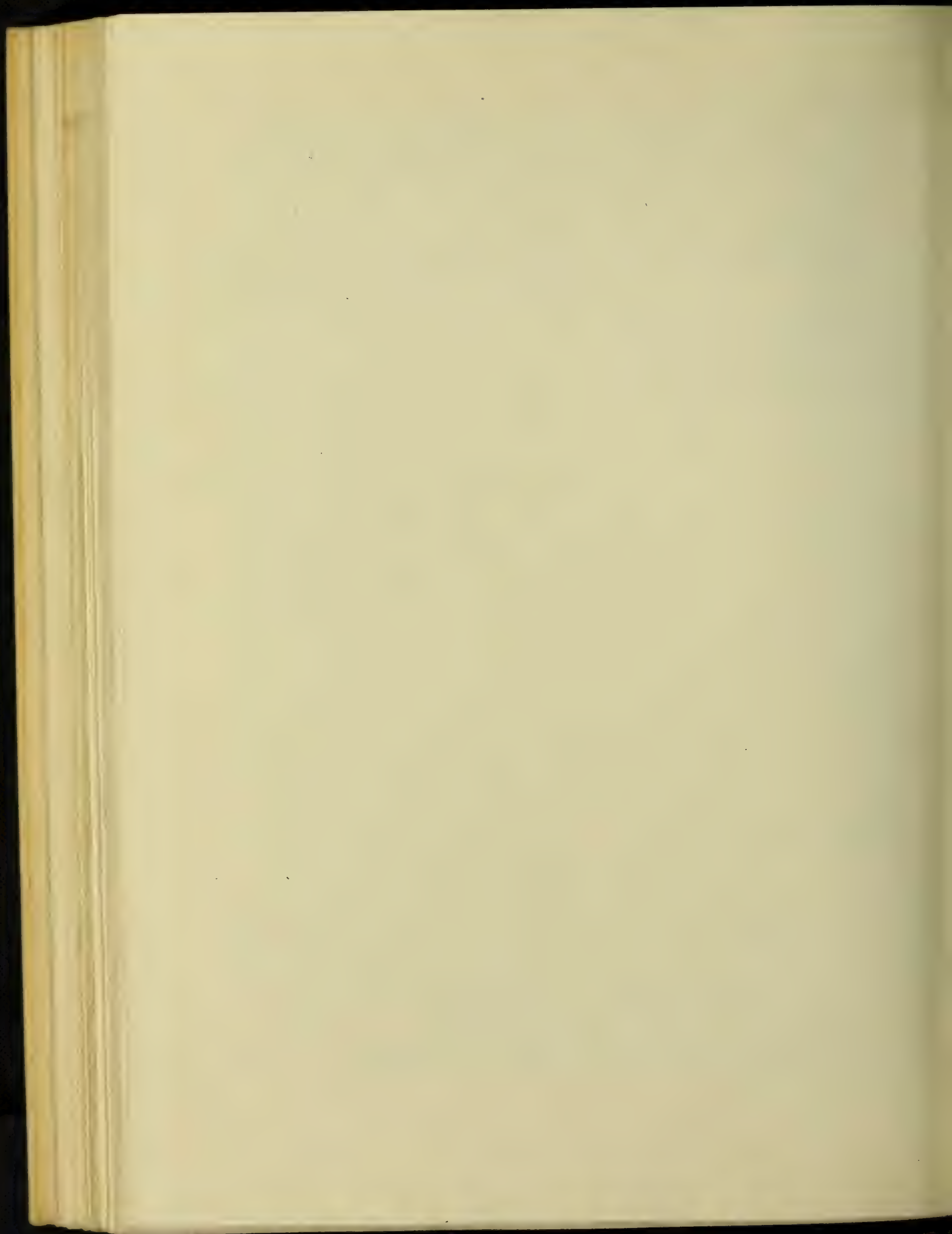
Publications

DEPARTMENT OF STATE

The Proclaimed List of Certain Blocked Nationals:
Revision IV, November 12, 1942, Promulgated Pursuant to Proclamation 2497 of the President of July 17, 1941. Publication 1828. 269 pp. Free.

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NOVEMBER 21, 1942

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The War

TEMPORARY POLITICAL ARRANGEMENT IN NORTH AND WEST AFRICA

STATEMENT BY THE PRESIDENT

Released to the press by the White House November 17]

I have accepted General Eisenhower's political arrangements made for the time being in Northern and Western Africa.

I thoroughly understand and approve the feeling in the United States and Great Britain and among all the other United Nations that in view of the history of the past two years no permanent arrangement should be made with Admiral Darlan. People in the United Nations likewise would never understand the reconstitution of a reconstituting of the Vichy Government in France or in any French territory. We are opposed to Frenchmen who support Hitler and the Axis. No one in our Army has any authority to discuss the future Government of France and the French Empire.

The future French Government will be established, not by any individual in metropolitan France or overseas but by the French people themselves after they have been set free by the victory of the United Nations.

The present temporary arrangement in North and West Africa is only a temporary expedient, justified solely by the stress of battle.

The present temporary arrangement has accomplished two military objectives. The first is to save American and British lives on the one hand, and French lives on the other hand. The second was the vital factor of time. The temporary arrangement has made it possible to avoid a "mopping up" period in Algiers and Morocco which might have taken a month or

two to consummate. Such a period would have delayed the concentration for the attack from the west on Tunis, and we hope on Tripoli.

Every day of delay in the current operation would have enabled the Germans and Italians to build up a strong resistance, to dig in and make a huge operation on our part essential before we could win. Here again, many more lives will be saved under the present speedy offensive than if we had had to delay it for a month or more.

It will also be noted that French troops, under the command of General Giraud, have already been in action against the enemy in Tunisia, fighting by the side of American and British soldiers for the liberation of their country.

Admiral Darlan's proclamation assisted in making a "mopping up" period unnecessary. Temporary arrangements made with Admiral Darlan apply, without exception, to the current local situation only.

I have requested the liberation of all persons in Northern Africa who had been imprisoned because they opposed the efforts of the Nazis to dominate the world, and I have asked for the abrogation of all laws and decrees inspired by Nazi governments or Nazi ideologists. Reports indicate that the French of North Africa are subordinating all political questions to the formation of a common front against the common enemy.

AMERICAN MILITARY OPERATIONS IN FRENCH NORTH AFRICA

CONGRATULATORY MESSAGES FROM OTHER AMERICAN REPUBLICS

[Released to the press November 16 and 18]

In connection with the American military operations in French North Africa, the President has received messages of congratulation and support from other American republics, in addition to those messages previously released (which appeared in the BULLETIN of November 14, 1942, page 908). The texts of additional messages and of replies of President Roosevelt are printed below.

*President Morinigo of Paraguay
to President Roosevelt*

[Translation]

ASUNCIÓN, PARAGUAY,
November 11, 1942.

I have learned with the greatest pleasure of the development of the latest events. In renewing to Your Excellency my assurances of sympathy and sincere friendship, I express ardent wishes for the victory of the cause defended by your country in harmonious juncture of efforts and desires of all peoples of our continent.

GENERAL HIGINIO MORINIGO M.

To President Morinigo of Paraguay

THE WHITE HOUSE, November 16, 1942.

I greatly appreciate Your Excellency's message upon the landing of American troops in French North Africa. Your wishes for the victory of our armed forces to insure the safety and freedom of all liberty-loving peoples is most gratifying.

FRANKLIN D ROOSEVELT

*The Acting Vice President of the Emergency
Committee for Political Defense to President
Roosevelt*

MONTEVIDEO, November 11, 1942.

In these moments when American arms are covering themselves with glory in North Africa

in the defense of human dignity and liberty, the Emergency Consultative Committee for Continental Political Defense has resolved to forward to Your Excellency its tribute of admiration for and cordial reaffirmation of solidarity with the notable military feat which fills the entire world with joy and hope, evaluating the high import full of liberative significance and contemplating gratefully the fact that precious lives of Americans and their allies are being sacrificed on African soil principally to preserve the freedom of the man of America and the tranquillity of his home. Accepting with profound faith the words which Your Excellency has expressed in justification of this action, I sincerely extend to you my best wishes for your personal happiness and for that of your great nation.

CARLOS DARIO OJEDA

*To the Acting Vice President of the Emergency
Committee for Political Defense*

THE WHITE HOUSE, November 11, 1942.

I am deeply appreciative of the message from the Emergency Advisory Committee for Political Defense commending the landing of American troops in North Africa. The Committee has rendered an invaluable service in revealing Axis activities directed at the security of American republics and in devising ways and means of combating those activities. It is therefore particularly encouraging to receive from a distinguished group having so detailed knowledge of the dangers inherent in Axis aggression so cordial and enthusiastic a statement regarding the significance of our military operations in North Africa.

FRANKLIN D ROOSEVELT

To President López of Colombia

THE WHITE HOUSE, November 16, 1942.

I wish to express to Your Excellency my deepest appreciation of the stirring and

ent message addressed to me following the
ry of American armed forces into North
rica, and to thank you most warmly for
fervent wishes of success in this campaign
the liberation of oppressed people.

Your Excellency's and the Colombian peo-
ple's full appreciation of the principles for
which we are fighting serve to reinforce the
courage and determination of all those engaged
in this tremendous undertaking.

Please convey to the Colombian people the
assurance that the spirit expressed in Your Ex-
cellency's message gives added strength to our
found confidence in victory for the ideals
that we share in common. I send Your Excel-
lency my warmest regards and personal good
wishes.

FRANKLIN D ROOSEVELT

To President Batista of Cuba

THE WHITE HOUSE, November 16, 1942.

I am profoundly gratified by your message of
November 9 sent in the name of the Government
of the people of Cuba approving the landing
of our armed forces in North Africa. The un-
flinching support and collaboration of Cuba
in this as in every other move against our
enemies gives added courage to our forces in
the present campaign of liberation and strength-
ens the faith of all the United Nations in the
ultimate triumph of our common cause.

Please accept [etc.] FRANKLIN D ROOSEVELT

To President Arroyo of Ecuador

THE WHITE HOUSE, November 16, 1942.

I am deeply grateful for Your Excellency's
telegram of November 9 concerning the offen-
sive of American forces in the French terri-
tories of North Africa. It is indeed our hope
that this move may contribute materially to
the eventual complete liberation of the French
people from their cruel oppressors, as well as
in thwarting an Axis thrust against the security of
the American hemisphere. It is most gratify-
ing to have your reassurance of my conviction

that this step would meet with the wholehearted
support of the people of Ecuador, who have
always demonstrated their devotion to the cause
of liberty and freedom.

I take [etc.] FRANKLIN D ROOSEVELT

To President Ubico of Guatemala

THE WHITE HOUSE, November 16, 1942.

I wish to thank Your Excellency for the cor-
dial message applauding the landing of Ameri-
can military forces in French North Africa.
Your conviction that this action to achieve the
liberation of France will have the support of
the people of all the American republics is a
source of great encouragement and satisfaction.

FRANKLIN D ROOSEVELT

To President Lescot of Haiti

THE WHITE HOUSE, November 16, 1942.

Your Excellency's heartening communication
on the occasion of the launching of the American
offensive is most deeply appreciated. I am also
most grateful for the message which you have
addressed to the French speaking people of
this Hemisphere which will, I am sure, contrib-
ute greatly toward a broader understanding of
our purpose in landing troops in North Africa.
Your support in this step to seek liberation for
the French people and their culture from servi-
tude to Axis barbarism is indeed encouraging.

With cordial good wishes for Your Excel-
lency's personal welfare,

FRANKLIN D ROOSEVELT

To President Carias of Honduras

THE WHITE HOUSE, November 16, 1942.

Your Excellency's gracious message on the
occasion of my Armistice Day address before the
tomb of the Unknown Soldier was most grati-
fying. I was greatly pleased to receive the con-
gratulations and good wishes of your Govern-
ment and of the people of Honduras for success
in our common battle for the principles of de-
mocracy and freedom.

FRANKLIN D ROOSEVELT

To President Somoza of Nicaragua

THE WHITE HOUSE, November 16, 1942.

I deeply appreciate Your Excellency's cordial message concerning the action of American Forces in French North Africa. The wholehearted support which you and your Government have given to this action is both an expression of the solidarity which exists among the United Nations and a contribution to the cause of continued freedom for the Americas.

I take [etc.] FRANKLIN D ROOSEVELT

CONGRATULATORY MESSAGE FROM THE
PRIME MINISTER OF IRAQ

[Released to the press by the White House November 21]

The Prime Minister of Iraq, Nuri es Sadi, has addressed to the President, under date of November 18, an open letter congratulating him on the successful operations in North Africa.

Nuri Pasha is a devout Moslem and a distinguished Arab soldier-statesman, as well as an outstanding personage in the Islamic world. He has been Prime Minister of Iraq six times and was intimately associated with Feisal, the late King of Iraq, as well as with Lawrence of Arabia, in the battles for Arab freedom in the first World War.

The full text of the Prime Minister's letter follows:

"DEAR PRESIDENT ROOSEVELT:

"The news of the Anglo American landings in Morocco and Algiers certainly came as a tremendous surprise to all of us in Iraq and in the great exultation which overwhelmed us we did not realize the magnitude of the operation involved. It is only now when the full details have been revealed that we can appreciate it to the full.

"In 1917 when great American forces were landed in France they entered a friendly country; all port facilities were available to them and there was no land or air opposition. Far different was the case when you sent your ex-

pedition to North Africa. Great risk not only had to be faced in the long sea journey but for all the resources of the Axis powers in the air and on the sea. Nor was it certain what would be the attitude of the French forces in North Africa. Although it was known that French feeling was always in favor of the allies yet the possibility of active opposition by the professional elements in the French forces had to be taken into consideration.

"Mr. Churchill has told us that the plan originated in your brain, Mr. President. We are accustomed to expect great things from you, originator of the new deal and the man who converted the United States of America into one gigantic arsenal for democracy. But the planning that was necessary for the equipment and embarkation of this great force involving 500 transports and 350 escorting warships, all this in absolute secrecy, was a magnificent achievement in itself, for which General Eisenhower and Admiral Cunningham and their staffs deserve the highest praise.

"This lightning blow to Axis pretenses in the Mediterranean now constitutes a threat to the weakest link in the Axis chain and, with Tunisia occupied Italy will have to be heavily reinforced by Germany if the death throes of the Axis are to be postponed.

"As a soldier I have been impressed with the stupendous undertaking and I am still amazed at the daring of the conception, the perfection of the organization and the magnitude of the achievement.

"Your generals working in close cooperation with their British colleagues have proved their ability to make great and elaborate plans to carry them into execution with the mechanical efficiency, associated in our mind with your great country. The whole Mediterranean scene has been changed in a few days and the friends of the United Nations and particularly the Arab races of North Africa and Near East are full of rejoicing and grateful to you personally as the originator of this great action."

UNITED STATES RELATIONS WITH THE VICHY GOVERNMENT

EXCHANGE OF DIPLOMATIC AND CONSULAR PERSONNEL

passed to the press November 16]

certain members of the French Embassy, including the Ambassador, the Naval, Military, Air Attachés in the Embassy, and certain civilian members of the Embassy staff, are proceeding November 17 to Hershey, Pa., to await change for the American Embassy members in France.

Assembly of the French Consuls at Hershey has been purposely delayed as certain members of the various consular staffs will not be required to be assembled at Hershey. Separate announcements will be made later in connection with them.

RESPONSE BETWEEN THE SECRETARY OF STATE AND THE HONDURAN FOREIGN MINISTER

passed to the press November 16]

The following telegrams have been exchanged between the Minister of Foreign Affairs of Hon-

duras and the Secretary of State of the United States of America:

[Translation]

"NOVEMBER 11, 1942.

"In behalf of the Government and people of Honduras I express to Your Excellency most cordial congratulations at the attitude taken by your Government in breaking relations with the Vichy Government and at the same time I assure you of the solidarity of the Government of Honduras in all such measures as the Government of the United States may adopt in the future against countries enemies of the democracies.

"I renew [etc.]

SALVADOR AGUIRRE"

"NOVEMBER 14, 1942.

"I deeply appreciate your cordial message of congratulations concerning the action of this Government in breaking off relations with the Vichy Government. The vigorous attitude assumed by the Republic of Honduras against the enemies of democracy is indeed a most valuable contribution to the cause of the United Nations.

"I take [etc.]

CORDELL HULL"

NEW YORK HERALD TRIBUNE FORUM

ADDRESS BY THE UNDER SECRETARY OF STATE¹

passed to the press November 18]

Tonight we of the United Nations have the right to look ahead, not only with hope and passionate conviction but with the assurance which high military achievement affords of the ultimate victory which will presage a new world.

None of us are so optimistic as to delude ourselves into the belief that the end is in sight; or that we have not still before us grave perils, dark days, reverses, and great sacrifices yet to be undergone. But the tremen-

dous initial effort, in the case of our own country, of transforming the inertia of a democracy of 130 millions of people at peace into the driving, irresistible energy of 130 millions of American citizens aroused and united in war, has been successfully made.

The first months of confusion and of cross-currents are past. The men and women of the United States are now enabled to see for themselves the development of the strategic moves in which their Commander in Chief and their military and naval leaders are engaged. They are able to appreciate the amazing nature of the feat realized in the occupation of North

¹Delivered by the Honorable Sumner Welles in New York, N.Y., Nov. 17, 1942.

Africa and to recognize the time and the extent of the preparation required for this gigantic task.

They now realize that the prodding of our self-appointed pundits who were constantly demanding the creation of a second front was not required and that the carefully thought-out plans for the second front now in being had long since been conceived and were already in process of realization while the clamor of these critics went on.

They can now fully evaluate the lack of vision and of knowledge of those who demanded the abandonment of our whole policy toward the French people, at the very moment that that policy was afforded the striking opportunity of proving its full worth—its full worth to the cause for which we fight and its full worth in preserving the soul of France during the darkest days she has ever known: France, the birthplace of so many of those principles of human liberty for which we and the people of France once more battle today.

They realize that we have in North Africa but one objective—the defeat of the Axis forces—which will bring with it the liberation of the people of France. During these first days all arrangements which we may make with Frenchmen in North Africa are solely military in character and are undertaken—properly—by the American and British military commanders. It is the hope of all of us that all Frenchmen who represent or who are part of the forces of resistance to Hitler will unite as one in the support of our military endeavor.

And so the clouds are lifting—the clouds of doubt and of disparagement and of lack of self-confidence. We can all see more clearly how inevitable has now become the final conquest of the armies of that criminal paranoiac whom the German people were so benighted as to acclaim as their leader; how crushing will at long last be the defeat which the Japanese hordes and their military leaders will suffer in just retribution for the treacherous barbarity which they have been inflicting upon the world during the past 11 years.

How can we achieve that free world, the attainment of which alone can compensate mankind for the stupendous sacrifices which human beings everywhere are now being called upon to suffer?

Our military victory will only be won by Churchill's immortal words, by blood and tears and toil and sweat.

It is just as clear that the free world which we must achieve can only be attained, through the expenditure of toil and sweat and blood but also through the exercise of all the wisdom which men of today have gained from the experience of the past, and by the utilization not only of idealism but also of the practical knowledge of the working of human nature and of the laws of economics and of finance.

What the United Nations' blueprint implicitly requires is to be drafted in the light of the experience and of common sense, and in a spirit of justice, of democracy, and of tolerance for the men who have their eyes on the stars but their feet on the ground.

In the fundamentals of international relationships there is nothing more fatally dangerous than the common American fallacy that the formulation of an aspiration is equivalent to the hard-won realization of an objective. Of this basic truth we have no more tragic proof than the Kellogg-Briand pact.

It seems to me that the first essential is the continuous and rapid perfecting of a relationship between the United Nations so that the military relationship may be further strengthened by the removal of all semblance of distrust or of suspicious rivalry, and by the clarification of the free-world goals for which we are fighting, and so that the form of international organization determined to be best suited to achieve international security will have been developed to such an extent that it can be made to operate as soon as the present military partnership has achieved its purpose of completing the victory.

Another essential is the reaching of a modus vivendi between the United Nations before a general armistice is signed upon those international

stments, based upon the universal principles of the Atlantic Charter and pursuant to pledges contained in our mutual-aid agreements with many of our allies, which we believe to be desirable and necessary for the maintenance of a peaceful and prosperous world of the future.

We all envisage the tragic chaos and anarchy which will have engulfed Europe and a great part of the rest of the world by the time Hitler's day is done and when he and his accomplices confront their judges. The United Nations' machinery for relief and rehabilitation must be prepared to operate without a moment's delay to alleviate the suffering and misery of millions of homeless and starving human beings if civilization is to be saved from the abyss of social and moral collapse.

No one will go hungry or without the other means of livelihood in any territory occupied by the United Nations, if it is humanly within their powers to make the necessary supplies available to them. Weapons will also be supplied to the peoples of these territories to hasten the defeat of the Axis." This is the direction of the President to the Lend-Lease Administration, to General Eisenhower, and to the Department of State, and it is being carried out by them to the full extent of their power and resources. The other United Nations, each to the extent of its ability, will, I am sure, cooperate whole-heartedly in this great task.

Through prearrangement certain measures such as the disarmament of aggressor nations mentioned in the Atlantic Charter must likewise be undertaken rapidly and with the utmost efficiency.

Clearly we should not again resort to the procedures adopted in 1919 for the settlement of the problems of the world. We cannot afford to perpetuate the basic issues by which the destiny of humanity will be determined, to be resolved without prior agreement, in hurried confusion, by a group of harassed statesmen, working against time, pressed from one side by the popular demand for immediate demobilization and

crowded on the other by the exigencies of domestic politics.

If we are to attain our free world—the world of the four freedoms—to the extent practicable, the essential principles of international political and economic relations in that new world must be agreed upon in advance and with the full support of each one of the United Nations, so that agreements to be reached will implement those principles.

If the people of the United States now believe as a result of the experience of the past 25 years that the security of our Republic is vitally affected by the fate of the other peoples of the earth, they will recognize that the nature of the international political and economic relations which will obtain in the world, after victory has been achieved, is to us a matter of profound self-interest.

As the months pass, two extreme schools of thought will become more and more vocal: the first, stemming from the leaders of the group which preached extreme isolation, will once more proclaim that war in the rest of the world every 20 years or so is inevitable, that we can stay out if we so desire, and that any assumption by this country of any form of responsibility for what goes on in the world means our unnecessary involvement in war; the other, of which very often men of the highest idealism and sincerity are the spokesmen, will maintain that the United States must assume the burdens of the entire globe, must see to it that the standards in which we ourselves believe must immediately be adopted by all the peoples of the earth and must undertake to inculcate in all parts of the world our own policies of social and political reform whether the other peoples involved so desire or not. While under a different guise, this school of thought is in no way dissimilar in theory from the strange doctrine of incipient "bear the white man's burden" imperialism which flared in this country in the first years of this century.

The people of the United States today realize that the adoption of either one of these two

philosophies would prove equally dangerous to the future well-being of our Nation.

Our free world must be founded on the four freedoms: freedom *of* speech and *of* religion—and freedom *from* want and *from* fear.

I do not believe that the two first freedoms—of speech and of religion—can ever be assured to mankind, so long as want and war are permitted to ravage the earth. Freedom of speech and of religion need only protection; they require only relief from obstruction.

Freedom from fear—the assurance of peace—and freedom from want—the assurance of individual personal security—require all the implementation which the genius of man can devise through effective forms of international cooperation.

Peace—freedom from fear—cannot be assured until the nations of the world, particularly the great powers, and that includes the United States, recognize that the threat of war anywhere throughout the globe threatens their own security—and until they are jointly willing to exercise the police powers necessary to prevent such threats from materializing into armed hostilities.

And since policemen might be tyrants if they had no political superiors, freedom from fear also demands some form of organized international political cooperation, to make the rules of international living and to change them as the years go by, and some sort of international court to adjudicate disputes. With effective institutions of that character to insure equity and justice, and the continued will to make them work, the peoples of the world should at length be able to live out their lives in peace.

Freedom from want requires these things:

People who want to work must be able to find useful jobs, not sometimes, not in good years only, but continuously.

These jobs must be at things which they do well and which can be done well in the places where they work.

They must be able to exchange the things which they produce, on fair terms, for other things which other people, often in other places, can make better than they.

Efficient and continuous production and exchange are both necessary to the abundance which we seek, and they depend upon each other. In the past we have succeeded better with production than exchange. Production is called into existence by the prospects for exchange; prospects which have constantly been thwarted by all kinds of inequalities, imperfections, and restrictions. The problem of removing obstacles to fair exchange—the problem of distribution of goods and purchasing power—is more difficult than the problem of production.

It will take much wisdom, much cooperative effort, and much surrender of private, shortsighted, and sectional self-interest to make these things all come true. But the goal is freedom from want—individual security and national prosperity—and is everlastingly worth striving for.

As mankind progresses on the path toward the goal of freedom from want and from fear, freedom of religion and of speech will more and more become a living reality.

Never before have peace and individual security been classed as freedom. Never before have they been placed alongside of religious liberty and free speech as human freedoms which should be inalienable.

Upon these four freedoms must rest the structure of the future free world.

This time there must be no compromise between justice and injustice; no yielding to expediency; no swerving from the great human rights and liberties established by the Atlantic Charter itself.

In the words of our President: "We shall win this war, and in Victory, we shall seek not vengeance, but the establishment of an international order in which the spirit of Christ shall rule the hearts of men and of nations."

We won't get a free world any other way

ADDRESS BY THE AMERICAN AMBASSADOR TO THE SOVIET UNION¹

read to the press November 18]

recently returned from Kuibyshev, at one a dusty, provincial city on the lower Volga, but today transformed by the war into a industrial metropolis. Off and on during past six months I have had the unique opportunity to observe the Russian nation and its role in their great war effort. In Kuibyshev and the surrounding countryside, as well as in other Russian cities visited, I believe that I have found one of the real reasons, perhaps the principal one, why for a second summer the armed forces of the Soviet Union have been able to fight the Nazi aggressors to a stand-

There are deeper reasons for Russia's success than the stubborn and brave tenacity of the Red Army, its proved efficiency, its willingness to die rather than to retreat. It is the all-important, self-sacrificing devotion of every man, woman, and youth in the Soviet Union to their Army and to the cause for which it fights. There is that complete unity of purpose which, in my humble opinion, is the driving power which motivates the entire Soviet Union today—the Government, the military, the people behind the lines, the Russian men and women of Kuibyshev.

There is today in the Soviet Union a tenet or principle that has almost a religious fervor in its application. That principle is characterized by the slogan "Vse dlya Fronta", or—to translate into any faulty Russian—"Everything for the front". And I may state that our great Russian allies have without complaint or hesitation sacrificed in fact everything for the front. The production of consumers' goods of all description—household equipment, clothing, luxuries—we would consider necessities in the United States, has long been stopped and been replaced by front-line production; shops are practically closed and food is severely rationed. Yet the

spirit and morale of those Russian men and women behind the lines is magnificent, and their stubborn fortitude in the face of adversity, their unified determination to see this war through to victory and freedom, in spite of privations and sacrifices that we in this country might well find insupportable, have made on me the deepest impression of admiration and respect. The greatest victories of history have been those in defense of liberty and freedom. From Valley Forge and Waterloo to the Battle of Britain, Midway, and Stalingrad, the human spirit has been revealed in its noblest form when defending a cherished way of life against those who seek to destroy or change it. In such a cause a whole people fights as one man, and it is just this unified effort and self-sacrificing devotion of the people of Russia that has deeply touched my heart as much as it has won my everlasting respect and admiration.

During my stay in Russia I have also been impressed by the striking similarities between the American and Russian people. We have a great deal in common: the same sense of humor, the same readiness to accept new ideas, the same openness of character which some people often consider as childishness, the same generosity of thought and action, a common disrespect for tradition, and a common contempt for pettiness and narrowness in thought and action. Such similarities are doubtlessly born of those historic and geographic conditions which the two countries have in common: the continental character of the countries, uniting in each case the Atlantic with the Pacific Ocean, from east to west, and the tropics with the northern shores, from south to north; the effect of frontier conditions throughout the course of centuries; the great agrarian plains with the leveling and broadening effect on those who cultivate them; the common sense of affinity to—and yet distinction from—western European culture. All these have contributed to the development of certain common characteristics which enable Russians

¹Delivered by Admiral William H. Standley before New York Herald Tribune Forum, New York, N.Y., November 17, 1942.

and Americans to overcome very quickly the differences in background and customs which separate them and to understand one another readily as human beings. As a result of similar experiences derived from centuries of struggle to hew a civilization out of a wilderness and from their determined effort to improve their own lot by their own labor, the American and Russian people, despite the vast spaces which separate them geographically, have always had a special understanding of each other and of each other's problems. It is clear that the experiences which they are sharing in common in their efforts just now to combat the world's forces of aggression must inevitably deepen this understanding.

These common characteristics have contributed as much, I believe, to the traditional friendship between the two countries as the fundamental and permanent factors arising out of geographic and historic conditions. The effect of these factors may frequently be nullified for a short time by the momentary changes or eccentricities of world politics, but they make themselves felt in the end and cannot be ignored in any attempt to evaluate the long-range relationship of any two nations. During the nineteenth century—ever since John Quincy Adams went to Russia in 1809 as our first diplomatic representative—the cordiality, friendship, and cooperation between Russia and the United States were consistent and relations were characterized by such manifestations of harmonious international cooperation and friendship as the demonstration of good-will by the Russian Government in 1863 when it sent its fleet to American waters at a time when there appeared a danger of Anglo-French intervention in the American Civil War; as the final transfer of Alaska in 1867 after 20 years of negotiations; as the dispatch by the United States of food shipments to Russia in 1892 to relieve the famine conditions in that country; and as shown by other instances too numerous to mention. During the first part of the twentieth century there have been occasions when differences have arisen in the political relations between the two countries, but these differences should be considered

as temporary features in these relations, not permanent characteristics of them. Notwithstanding such differences the two nations in this period and on two terrible occasions joined hands against a common enemy with a common interest in heart: the freedom of mankind and the betterment of civilization.

After the first World War, as Vice President Wallace so ably pointed out on November 1, 1918, Russia and the United States had their "brief experience with isolationism", which in some respects contributed to the inevitability of the second World War. I sincerely hope that all countries have learned their lesson and realize that the new democracy so well described by the Vice President as some practical balance between economic and political democracy was foreseen by the charter of the United Nations, can only be perpetrated by the wholehearted collaboration between those United Nations. We all know that American foreign policy, founded on the desire to develop intercourse with other countries in a manner which would not only be to the advantage of them and ourselves but to that of the whole community of nations, has by its geographic position fortunately been aided in its development by the privilege of enjoying peaceful conditions during the greater part of its history; that the foreign policies of the majority of the continental states of Europe by their geographic positions and historical conditions have been generally influenced by a fear of the next war and that, therefore, their normal peacetime relations in the past have been guided by the terminations and the potentialities of the war. I say, and I pray, "in the past." For belief in permanently profitable, normal peaceful relations between the nations of the world, the conviction that such can be the new order of the world, must prevail if our civilization is to endure; and I believe that we, the United Nations, can enforce such an order if we are prepared to enter into that full spirit of cooperation and unity of effort that the common people of the world demand of us. The policy of national isolation in an international context

of nations must be buried with such other antiquated formulae as the assertion that differences in political ideologies and social systems of the United Nations preclude the possibility and expeditiousness of joint action and sincere collaboration in time of war as well as in time of peace. We, the United Nations, are dedicated to a policy of cooperation in war and peace, founded on a basis of mutual self-sacrifice, and we in the United States as elsewhere must realize that real sacrifices must be made if we are to avoid the horrors of another war. The solid benefits of an enduring peace so greatly outweigh the transient advantages of a temporary respite between wars that we should

have no hesitation in entering into that wholehearted post-war family of nations—call it union, society, or league, the name is immaterial, the spirit is what really counts—that can only bring to this world the peace and prosperity that my friends in Kuibyshev are so anxiously praying for.

When final victory is ours, each one of the United Nations will have contributed at various times and under various circumstances their full share, and I am confident that the ties we have forged in battle will be translated into even closer cooperation and unity in peace and in the great task of peaceful reconstruction that will be before us in the future.

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN, NOVEMBER 19¹

Released to the press November 20¹

Since my return to the United States, after several months of virtual imprisonment in Tokyo, I have taken every opportunity to impress upon the American people the nature of the enemy which confronts them in the Orient. I have visited a good many cities and spoken to thousands of Americans. And I have heard too often the expression of a belief which is a great danger for the United States and the United Nations—great danger for our common cause. This belief is that we can easily defeat Japan “when we get around to it”. Such a belief can arise only from ignorance—ignorance of Japan’s purposes, Japan’s methods, and Japan’s fighting machine. One of the fallacies upon which this belief is founded is the notion that because he is small of stature the Japanese soldier can easily be defeated once we make up our minds to it.

Perhaps no more effective refutation of this mistaken notion could be found than the experience of an American Army officer who served as a company officer with a Japanese infantry regiment several years ago.

This officer, reporting on one of the many maneuvers which the troops engaged in during

his relatively brief stay with them, tells how they started out in a driving rain one evening for a camp 25 miles away. The march was over at seven the next morning—a march undertaken in a steady downpour. On arrival the troops were set to work cleaning equipment for inspection at noon.

After two days of hard work at firing practice and combat problems, the 25-mile hike back was begun at four in the morning and completed in a burning heat at two o’clock that afternoon. When the battalion was dismissed, the commander of one company double-timed his weary men three times around the area of the barracks. When the American officer asked the reason for this unusual procedure, the commander replied: “I want to prove to them that they still have lots of ‘go’ in them.”

It is that spirit, that determination to endure beyond the point of apparent endurance, which we have to deal with in the Japanese enemy.

The same American officer tells how this grueling training grew steadily more rigorous until it was climaxed by operations so tiring that soldiers slept while they marched and one lieutenant woke up only when he walked squarely into a lumber pile at the side of the road. A 4-day period of military exercises began with a march lasting 29 hours without interruption for sleep. After a brief pause the

Delivered by the Honorable Joseph C. Grew before the Office of Civilian Defense audience at Omaha, Nebr., 19, 1942.

troops were ordered to take up defensive positions, and at nightfall virtually every man not on post as sentry was put at patrolling duty of some sort.

"Why not let some of the men sleep?" the American officer inquired.

"That is not necessary," a Japanese officer told him. "They already know how to sleep. They need training in how to stay awake."

Through training, through such toughening processes, and through maneuvers so realistic that deaths often result, the Japanese soldier has been made as formidable a fighter as any in the world. In the type of jungle fighting at which he excels, his small stature may even be an advantage to him. Certainly his ability to exist on meager rations and food that would be considered dangerously inadequate for our forces simplifies the problem of supply which is a basic consideration in military operations.

But what gives the Japanese soldier his strength, this endurance?

Observers are agreed that the emotional attitude which we call morale has been so cultivated by incessant training from childhood that the Japanese fighter considers no honor so great as that of giving his life for his country. For in Japan it is a matter of social—or perhaps we should say tribal—prestige for a man to go into uniform. His departure for military training or for regular duty with the Army is always the occasion of a celebration. This much, at least, of feudalism remains in Japanese civilization: that the fighting man is the person of highest prestige in the community. It is a privilege for a Japanese to join the Army.

Japanese officers, when asked for an explanation of the hardihood of their men, insisted that it was due to the flag carried at the head of the regiment during marches. The flag, they claimed, represented the incarnation of imperial divinity; it symbolized the supreme ruler of the race in whose name the fighting was to be done.

It takes no profound knowledge of psychology to recognize that men who have this personal conviction, this devotion to a cause which however mistaken or even misunderstood can be personified and thus reduced to human terms—it takes no profound knowledge to ap-

preciate the importance in terms of military strength of such an attitude.

In order to strengthen this sense of personal devotion, the Japanese soldier is taught to revere his rifle as the old samurai revered his sword. The issuing of rifles to new conscripts made a ritual in the Japanese Army. The company is lined up while the commanding officer explains the honor of being entrusted with a rifle. The samurai regarded his sword as his soul; so must the modern soldier regard his rifle, he says. Then each man, as his name is called, steps forward, bows deeply to the rifle, receives it, raises it with a dedicatory movement to his forehead, and steps back into the ranks.

The results of this training may be seen in the unprecedented military victories Japan has enjoyed within the past year. Within a period of four months the Japanese invaded the Philippines, Malaya, Burma, Borneo, Sumatra, Java, and many other islands of the Pacific. They occupied Hong Kong and one of the world's greatest naval bases, Singapore, which had been thought impregnable. Within a period of four months they had gained control of an area extending more than 3,000 miles beyond their home islands. They had gained control over the huge and vital supplies of rubber, oil, rice.

Let us not deceive ourselves into thinking that these victories were anything short of phenomenal. Let us not suppose that they were made possible by luck or even by the intricate treachery with which they were launched. Let us face the fact of overwhelming defeat in the future; let us be honest with ourselves—in that we may be honest with ourselves—in that we may fully understand the strength of the enemy we have to deal with.

And let us not suppose that having gained this immensely wealthy empire—this territory with all its resources for which they have been longing for years—let us not suppose that the Japanese are simply waiting for us to come and take it after we have polished off the Germans against Germany.

Far from it. The Japanese are feverishly developing the resources they have taken in order to build up a mighty armament to use against any foe. They are rebuilding roads

bridges, extending power plants, drilling oil wells, operating the mines. They have even projected a railroad from Shanghai to Singapore in order to reduce their dependence upon sea traffic. The rubber, the tin, the oil are being converted as rapidly as they can convert them—and the Japanese are indefatigable workers—to instruments of war.

Every week, every day that passes with the Japanese in control of these riches prolongs their grip in the Orient, increases the difficulty of our task, and in effect demands the sacrifice of more American lives. For every day of occupation gives the Japanese a chance to exploit their resources and consolidate their gains.

Every day the horde of administrators who have descended upon the lands of the Pacific strip the pleasures of appropriating the riches which generations of enterprise have built up. They see taking shape under their hands an empire so richly endowed that to exploit it after a ruthless fashion they have determined on, without thought of the welfare of the native peoples who toil for them, would make Japan the stress of half the world and an ever-present threat to the rest.

We know, from the accounts which have leaked out of the occupied areas, what such conquest means. It envisions the complete Japanese domination of the conquered lands and people. It is not quite complete. For while the natives are forced to work for the master race, while their economic life is entirely under Japanese domination, while the natives are taught the Japanese language in order that they may understand the commands of their masters and be influenced by the spurious history they teach, an impassable gulf separates them from the conquerors. They can never hope to be admitted the privileges of Japanese. The whole design of Japan's so-called "cultural program" in the conquered lands is to teach their own superiority as the divinely ordained master race and the obligation of the conquered to accept their difference.

If we allow this conqueror to feed upon the riches of Asia in the hope that he will not make use of most of his opportunities to entrench and

strengthen himself—if we believe that he will not address every ounce of his energy to consolidating his gains and exploiting his riches—then we shall have made a mistake which can never be expunged from the pages of history. To our children the words *Japan* and *Asia* may become synonymous, and for centuries to come the fear of this powerful enemy across the Pacific will make impossible a return to the ways of peace. America will perforce remain an armed camp. The fear of invasion will hang over us like the sword of Damocles. Peace will be only a word—never an experience or a reality.

Let us make no mistake: for total victory we must have total sacrifice, here and now. The Japanese is a thorough and ruthless foe, and nothing less than all our effort, all our determination will bring peace and security in our time. At this very moment thousands—yes, millions—of Japanese soldiers, administrators, and merchants are swarming over the conquered lands, entrenching themselves against the struggle with us which they know will come. No one here tonight can afford to give less than all his energy to assist in their utter defeat.

The future is theirs or ours. There is no other choice.

SUPREME COURT OPINION IN THE SABOTEUR CASES

The opinion of the United States Supreme Court in the "Saboteur Cases", denying petitioners' applications for leave to file petitions for *habeas corpus*, decided on July 31, 1942 by *per curiam* opinion in advance of preparation of a full opinion, was announced on October 29, 1942. Mr. Chief Justice Stone delivered the opinion, which was unanimous. Mr. Justice Murphy took no part in the consideration or decision of the cases.

The opinion was confined to the question whether it was "within the constitutional power of the national government to place petitioners upon trial before a military commission for the offenses with which they are charged". The Court ruled that the acts charged by the first specification constituted the offense of "unlawful belligerency", which the

Constitution does not require to be tried by jury.

The Court decided that by definitions by the Government of "lawful belligerents" entitled to be treated as prisoners of war under rules and orders of the War Department, by the provisions of article 1 of the Annex to Hague Convention IV of 1907, to which the United States is a party, and by a long course of practical administrative construction by the military authorities of the United States, the Government has recognized that those "who during time of war pass surreptitiously from enemy territory into our own, discarding their uniforms upon entry, for the commission of hostile acts involving destruction of life and property, have the status of unlawful combatants punishable as such by military commission".

It was also stated in the opinion that the Fifth and Sixth Amendments to the Constitution of the United States did not enlarge the right to jury trial as established by section 2 of Article III thereof. (*Ex parte Quirin, et al.; U. S. ex rel., v. Brig. Gen. Albert L. Cox, U.S.A., Provost Marshal of the Military District of Washington, Nos. 1-7, July Spec. Term, 1942.*)

DIRECTOR OF FOREIGN RELIEF AND REHABILITATION OPERATIONS

[Released to the press by the White House November 21]

It was announced at the White House November 21 that Governor Herbert H. Lehman of New York will resign as Governor on or about December 3, next, in order to become associated with the Department of State as Director of Foreign Relief and Rehabilitation Operations. Governor Lehman will undertake the work of organizing American participation in the activities of the United Nations in furnishing relief and other assistance to the victims of war in areas reoccupied by the forces of the United Nations.

This is a step in the President's program of mobilizing the available resources of this

country in food, clothing, medical supplies, and other necessities so that it may make an immediate and effective contribution to joint efforts of the United Nations in the field of relief and rehabilitation. Governor Lehman's appointment assures that this country will play its part in such efforts.

PROCLAIMED LIST: CUMULATIVE SUPPLEMENT 1 TO REVISION IV

[Released to the press November 22]

The Secretary of State, acting in conjunction with the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs, on November 22 issued Cumulative Supplement 1 to Revision IV of the Proclaimed List of Certain Blocked Nationals, promulgated November 1, 1942.¹

Part I of Cumulative Supplement 1 contains 207 additional listings in the other American republics and 40 deletions; part II contains 10 additional listings outside the American republics and 11 deletions.

Effective with Cumulative Supplement 1 additions, amendments, and deletions are combined under the appropriate country heading instead of constituting separate sections as previously.

[Released to the press November 22]

The Government of Brazil has informed the American Ambassador at Rio de Janeiro that the nationalization of the former German Condor aviation enterprise, begun well over a year ago, has been concluded. The Serviços Aéreos Condor, Ltda., through agreement between the Brazilian and the United States Governments has accordingly been removed from the Proclaimed List.

Henceforth the company will be known, the Department has been informed, as *Serviços Aéreos Cruzeiro do Sul, Limitada*.

¹ 7 Federal Register 9671.

the ramifications of the former German elements and the legal complications deriving from the former interdependence between Concorde and the German Lufthansa have required a great deal of time and careful investigation by the Governments of both countries.

The United States Government has undertaken to render to the new company all possible assistance requested, such as technical operating help, equipment, financing, and the loan of personnel, all contingent upon their being available during the present wartime shortage.

American Republics

VISIT TO THE UNITED STATES OF THE PRESIDENT OF ECUADOR

His Excellency Carlos A. Arroyo del Rio, President of the Republic of Ecuador, will arrive in Washington November 23, where he will be received by an official reception committee, and will receive military honors. The evening of his arrival he will be the guest of the President and Mrs. Roosevelt at the White House, where a dinner will be given in his honor. On November 24 President Arroyo will move to Blair House for the remainder of his stay in Washington. He will visit the Capitol, Mount Vernon, Arlington National Cemetery, the Naval Academy at Annapolis. Also, he will be honored at dinners to be given by the Secretary of State, the Under Secretary of State, and the Ambassador of Ecuador and at luncheons by the Governing Board of the Pan American Union; the Coordinator of Inter-American Affairs, Mr. Rockefeller; and the Assistant Secretary of State, Mr. Berle. On November 27 President Arroyo will leave Washington for visits to Detroit and Buffalo, where he will inspect war production plants; to the Military Academy at West Point; and to New York City, where he will be extensively entertained.

VISIT TO THE UNITED STATES OF THE GUATEMALAN FOREIGN MINISTER

[Released to the press November 18]

The Department of State takes pleasure in announcing that His Excellency Dr. Carlos Salazar, Guatemalan Minister of Foreign Affairs, is planning to arrive in Washington on November 30, following a short visit in Mexico. He will be accompanied by the Honorable Delmino Sanchez Latour, Chief of Protocol of the Guatemalan Foreign Office, and Señor Mendoza, his private secretary. Dr. Salazar is coming to Washington to discuss a number of problems of mutual interest to the Governments of Guatemala and the United States. He will be welcomed not only as a distinguished representative of his country but also as a steadfast and eloquent exponent of Pan American ideals.

AGREEMENT WITH THE DOMINICAN REPUBLIC REGARDING CUSTOMS MATTERS

An agreement, effected by an exchange of notes on November 14, 1942, between the American Minister to the Dominican Republic and the Dominican Foreign Minister, by which the United States has agreed not to invoke the pertinent provisions of the agreement with the Dominican Republic of September 25, 1924 (according mutual unconditional most-favored-nation treatment in customs matters), appears in this BULLETIN under the heading "Treaty Information".

AGREEMENT WITH MEXICO FOR REHA- BILITATION OF MEXICAN NATIONAL RAILWAYS

The texts of notes, dated November 18, 1942, exchanged between the American Ambassador to Mexico and the Mexican Foreign Minister regarding the joint rehabilitation of certain key lines of the Mexican National Railways, appear in this BULLETIN under the heading "Treaty Information".

Cultural Relations

COOPERATIVE TRAINING PROGRAM FOR PERUVIAN STUDENTS IN THE UNITED STATES

[Released to the press November 18]

The Department of State announces that an exchange of notes has been effected with the Government of Peru whereby the two Governments confirm an understanding designed to initiate a cooperative program for the training of Peruvian students in the United States.

In accordance with this arrangement, the Government of Peru has set aside the sum of 380,000 *soles* to be used to pay subsistence expenses of a selected group of students who will be brought to the United States on travel grants awarded by the Department of State. The Institute of International Education, 2 West Forty-fifth Street, New York, N.Y., and the Bolivarian Society of the United States, New York, N.Y., are cooperating in obtaining tuition scholarships from American universities to round out the contributions of the Peruvian and United States Governments to this program.

The Peruvian Government has indicated its intention to select students in the following fields: Iron and steel metallurgy (2), technical processing of petroleum (2), geology (1), mechanical engineering (1), industrial chemistry (1), electrical engineering (1), forestry (1), fisheries (1), horticulture (1), city planning (1), medicine (2), veterinary medicine (1), and port-works construction (1). Terms of study will be one year, to be extended in special cases to two years.

A committee has been appointed in Lima to select the most promising candidates for these scholarships, and it is hoped that the persons chosen will be able to begin their studies with the next term of the present academic year. The members of the selection committee are:

Dr. Francisco Tudela, *chairman*
Dr. Carlos Monge
Dr. Enrique Laroza
Dr. Arthur Dewey
Mr. C. J. Billwiller
Mr. Ples Harper, *administrative secretary*

The Department of State expresses its gratification that, with the cooperation of American institutions, it has been possible to work out the first cooperative arrangement with a government of one of the other American republics for the planned training in useful fields of a larger number of young persons than has been possible under previous arrangements.

DISTINGUISHED VISITORS TO THE UNITED STATES FROM EL SALVADOR, HONDURAS, AND MEXICO

[Released to the press November 20]

Señor Leopoldo Barrientos, Chief of the Bureau of Agriculture of El Salvador, arrived in Washington on November 20 for a month's visit as a guest of the Department of State. He is here for the purpose of conferring with officers of the Department of Agriculture and of the Department of State in connection with the work of the agricultural experiment station that has recently been established in El Salvador and in respect to the training of agricultural personnel, especially in the fields of research and extension.

[Released to the press November 18]

Señor Jorge Fidel Durón, President of the Honduran Institute of Inter-American Culture of Tegucigalpa, Honduras, and editor of the daily newspaper *América Unida* and of the weekly *Gaceta Rotaria*, arrived in Washington on November 18 for a two months' visit to the country as a guest of the Department of State. His itinerary includes visits to universities, publishing houses, newspapers and factories in New York, Philadelphia, Boston, Chicago, San Francisco, and Los Angeles.

Released to the press November 16]

Señor Manuel Toussaint, Director of the Institute of Art Research of the National University of Mexico and one of that country's outstanding historians and critics of art, arrived in Washington November 15, at the invitation of the Department of State, for a visit to leading art centers in this country. He will make certain studies of colonial monuments in Texas, Arizona, and New Mexico and will visit leading art institutes and museums in Washington, New York, Boston, Chicago, San Francisco, Los Angeles, and New Orleans.

Released to the press November 20]

Señor Augustín García López, Director of the Institute of Comparative Law of Mexico, and Señor Alfonso Noriega, Secretary of the National University of Mexico, arrived in Washington on November 19 as guests of the Department of State. They were invited by the Inter-American Bar Association to represent Mexico in the Congress of Comparative Law, which opened on November 19 in Washington. Their itinerary includes visits to the law schools of several of our universities, where they will lecture on comparative law.

The Foreign Service

POSITION OF COUNSELOR OF EMBASSY FOR ECONOMIC AFFAIRS

The following Foreign Service officers have been appointed as Counselors of Embassy for Economic Affairs at missions in seven of the other American republics:

Merwin L. Bohan, Buenos Aires, Argentina
Walter J. Donnelly, Rio de Janeiro, Brazil
Richard P. Butrick, Santiago, Chile
Charles A. Livengood, Bogotá, Colombia
Albert F. Nufer, Habana, Cuba
Thomas H. Lockett, México, D. F., Mexico
H. Lawrence Groves, Caracas, Venezuela

The duties of the Counselor of Embassy for Economic Affairs are as follows:

He shall have over-all responsibility for all economic activities in the Mission and shall report directly to the Chief of the Mission. It shall be his duty to coordinate the activities and efforts of the representatives of other agencies of the United States Government who are employed in work of a commercial or economic nature within the particular country. He shall act as the point of contact with the Mission for these representatives, in their various activities.

Reports by these representatives to the Chief of Mission, or to their respective agencies in Washington, will be routed through the Economic Counselor.

The creation of the position of Counselor of Embassy for Economic Affairs is in part due to the recognized need, particularly in the Missions in the other American republics, for a capable person in the Mission to be the recognized head of all agencies who have representatives in the field engaged in work of an economic nature. The creation of this position was found to be desirable to prevent the representatives of various agencies from working at cross purposes with each other, and to coordinate their activities with the implementation of over-all policy, as directed by the Chief of the Mission.

A previous release regarding instructions for Foreign Service officers on economic work arising from the war appeared in the BULLETIN of October 31, 1942, page 887.

DEATH OF CHARLES B. HOSMER

[Released to the press November 16]

The following statement has been issued by the Secretary of State:

"It is with a feeling of deep personal grief that I announce the death at Harriman, Tennessee, on November 16, of Mr. Charles B. Hosmer, a Foreign Service Officer of Class I,

who, during the previous year, had been detailed as an Inspector in the Western Hemisphere. He was one of the Department's ablest officers and his record was one of outstanding public service. In addition, he was a personal friend whose counsel and aid I valued highly.

"Mr. Hosmer recently returned to the United States from Mexico and was spending a few days of leave with his family in Tennessee when he was stricken with a heart attack. His many friends in Washington and abroad will sincerely mourn his loss. By reason of his interest and assistance in furthering all plans designed to improve and strengthen the Foreign Service, he earned both the admiration and the affection of his associates."

The Secretary sent the following telegram to Mrs. Hosmer:

"It is with a feeling of deep personal loss that I have learned of the passing of your distinguished husband who was my friend and associate for many years. He was one of our ablest officers and his record is one of outstanding public service. I shall always be especially grateful for the thoroughly satisfactory way in which he carried out many difficult tasks which I personally assigned to him. Mrs. Hull

and I join his countless friends in extending deepest sympathy to you and to the members of the family in your irreparable loss.

CORDELL HULL"

Mr. Hosmer was born in Hudson, Mass., on July 15, 1889. Following his graduation from the University of Maine in 1911, he practiced law until his entrance into the Foreign Service in 1919. His career was a distinguished one covering assignments at Habana, Santo Domingo, Sherbrooke, Naples, and the Department of State. In the Department he held for several years the position of Chief of the Office of Fiscal and Budget Affairs, and, immediately prior to his assignment as Inspector, he was Executive Assistant to Assistant Secretary of State Long. Upon the relinquishment of his duties in Washington, an exceptionally high tribute to his ability was paid to him by members of the Foreign Relations and Appropriations Committees of Congress, with whom he had been associated in connection with legislation of interest to the Department.

Mr. Hosmer was also active in all Foreign Service organizations; he served as treasurer of the *Foreign Service Journal* for a number of years and was vice president of the Foreign Service Association at the time of his death.

Treaty Information

CUSTOMS

Agreement With the Dominican Republic

[Released to the press November 17]

In notes exchanged on November 14, 1942 between Mr. Avra M. Warren, American Minister at Ciudad Trujillo, and Señor Arturo Despradel, Minister of Foreign Relations of the Dominican Republic, the Government of the United States has agreed not to invoke the pertinent provisions of the agreement with the Dominican Republic of September 25, 1924,

according reciprocal unconditional most favored-nation treatment in customs matters (Treaty Series 700), for the purpose of claiming the benefit of reductions in customs duties which are accorded by the Dominican Republic exclusively to Haiti and which are specifically provided for in the treaty of commerce between those countries signed on August 26, 1941, modified by an exchange of notes on March 1942. Similar notes were exchanged with the Government of Haiti (Executive Agreements Series 238 and 252).

The products concerned are empty sisal sacks; commercialized natural medicinal waters; rugs, mats, and other novelty articles of sisal and coconuts; peanuts in the shell; millet; certain types of rum; certain types of prepared cocktails; aerated waters; manufactures of tortoise shell, lignum-vitae, and mahogany; ginned cotton; and sisal fiber.

The texts of the notes follow.

The Dominican Minister of Foreign Relations to the American Minister

[Translation].

MINISTER: NOVEMBER 14, 1942.
I have the honor to inform Your Excellency that on August 26, 1941 a Commercial Agreement was signed in the City of Port-au-Prince, by means of which the Dominican Republic and the Republic of Haiti, in their situation as contiguous countries, established a special treatment in the commercial relations existing between both peoples. The exchange of the ratifications of this Commercial Agreement took place in this Capital on March 23 of this year. This agreement, among other stipulations, establishes the reduction of Dominican import duties according to a list specifying the products which, upon being imported from Haiti, are to be introduced into our country with the reductions of the Dominican import duties set forth in the said list.

The Government of the Dominican Republic has always supported the multilateral development of international commerce on the basis that the nations should enjoy access to the said commerce under equal conditions and be able to obtain, within those conditions, the raw materials which they require for the satisfactory and prosperous development of their respective economies.

In that connection, I have the honor to refer to the formula for contractual tariff preferences between contiguous countries which the Inter-American Financial and Economic Advisory Committee has recommended. In accordance with the spirit of that recommendation and the said Inter-American body, the Commer-

cial Agreement referred to was concluded between the Dominican Republic and that of Haiti.

On March 24, 1942 notes were exchanged between both Governments, by which some products were added to the lists originally agreed upon.

Since the *modus vivendi* agreed upon between the Dominican Republic and the United States of America, dated September 25, 1924, provides that the tariff reductions which our country grants to other countries should benefit, in the manner indicated by the principles relating to the most-favored-nation clause, similar products of United States manufacture and origin, I request Your Excellency to inform this Chancery if the Government of the United States of America, in view of all the aforesaid considerations, will consent not to invoke the clauses of the convention of September 25, 1924, already mentioned, for the purpose of claiming the benefit of the tariff preferences granted the contiguous state of Haiti, which (preferences) my Government considers as adjusted to the conditions of the formula recommended by the Inter-American Financial and Economic Advisory Committee.

I avail myself [etc.] ARTURO DESPRADEL

The American Minister to the Dominican Minister of Foreign Relations

NOVEMBER 14, 1942.

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date in which you reiterate the adherence of your Government to the principle of promoting the multilateral development of international trade on the unconditional most-favored-nation basis and refer to the exclusive tariff reductions to the Republic of Haiti specifically provided for in the Commercial Agreement between the Dominican Republic and that country signed on August 26, 1941, as modified by an exchange of notes on March 24, 1942 by which certain products were added to the list specified in the Commercial Agreement. In this connection you

mention the contractual formula for tariff preferences to contiguous countries recommended on September 18, 1941 by the Inter-American Financial and Economic Advisory Committee, and inquire whether, in view of the Committee's recommendation and considering the special and unusual conditions affecting the trade between the Dominican Republic and Haiti, my Government would be willing to refrain from claiming, under the provisions of the *modus vivendi* between our two countries of September 25, 1924, the benefit of the tariff preferences to the Republic of Haiti specifically provided for in the Commercial Agreement of August 26, 1941 as modified by the exchange of notes of March 24, 1942.

I have the honor to inform Your Excellency that my Government, in view of the considerations set forth, agrees not to invoke the pertinent provisions of the *modus vivendi* for the purpose of claiming the benefit of such tariff preferences.

Accept [etc.]

AVRA M. WARREN

TRANSIT

Agreement With Mexico for Rehabilitation of Mexican National Railways

[Released to the press November 19]

Notes looking to the joint Mexican - United States rehabilitation of certain key lines of the Mexican National Railways were exchanged in Mexico City on November 18, 1942 by His Excellency Ezequiel Padilla, Foreign Minister of Mexico, and the Honorable George S. Messersmith, American Ambassador to Mexico. A technical mission of United States railway experts has been sent to Mexico at the request of the Mexican Government to assist in the implementation of this joint program.

United States Government agencies have purchased in Mexico extensive quantities of a long list of strategic materials urgently required for direct war uses. The Mexican National Railways are being called upon to carry a traffic burden which several times exceeds peacetime peak loads. Unless certain basic changes and improvements are made, these lines will not be able to stand up under the increasingly greater strain

now being placed upon them. In order that optimum efficiency in the operation of the railroads may be assured for the transportation of these vitally needed materials, not only from Mexico but also from Central America now that the Suchiate River bridge has been completed through the joint efforts of the Guatemalan and Mexican Governments, to link the transportation system of those two countries, work has already started to place the railways in condition to carry the needed tonnage.

The Mexican Government and the Mexican National Railways will contribute a proportionate share of the material and equipment, as well as direct its operating facilities toward the fullest realization of the rehabilitation program. On its part, the United States will, through the Office of the Coordinator of Inter-American Affairs, supply certain material, equipment, and technical assistance necessary for the success of the joint undertaking. The United States Railway Mission in Mexico will be headed by Mr. Oliver M. Stevens, former executive officer of the Missouri-Pacific Railroad and now President of the American Refrigerator Transportation Company. Mr. Stevens will have a staff of trained mechanical, track, and transportation technicians.

Texts of the notes exchanged by Foreign Minister Padilla and Ambassador Messersmith are printed below.

The Mexican Minister of Foreign Relations to the American Ambassador

México, November 18, 1942.

MR. AMBASSADOR:

In conformity with Resolution II of the Third Consultative Meeting of the Ministers for Foreign Affairs of the American Republics held at Rio de Janeiro from the 15th to the 28th of January of the present year, the Mexican Government has used all the resources which it has at its disposal to bring about the mobilization of the economic resources of the Republic, particularly in so far as concerns the production of strategic materials necessary for the

ense of the hemisphere. In this regard I am
used to inform Your Excellency that this
duction is being achieved at a constantly ac-
erated pace for it is the firm intention of
ico to unite its action with that of the
ted Nations in order to bring about defin-
a victory against the powers of the Axis.

With this in view agreements have been
le through which Mexico furnishes to the
ted States its exportable surplus of a long
of essential products.

have the satisfaction, at the same time, to
rm Your Excellency that Mexican economy
reacted favorably to the constantly accel-
ed strain to which it has been subjected as a
sequence of this increase in production and
that there are indications which permit the
umption that the materials which will be
nished in 1943 will exceed by far the quan-
es which have been made available during
current year.

Unfortunately, the capacity which Mexico
to produce articles which are needed with
uch urgency is greater than the possibilities
the Mexican system of transport to carry
n from the mines, fields or forests where
are extracted or produced to the places
ere they are exported, manufactured or con-
ed.

The burden which is now being borne by
National Railways surpasses by far the
imum freight limit which it could reason-
y have been supposed that they would carry
ime of peace. If the United Nations in gen-
l, and Mexico and the United States of
merica in particular, are to benefit to the maxi-
m by our common effort, it will be necessary
t they take rapid and effective steps to put
National Railways of Mexico in a position to
nsport a war-time burden much larger in
ume than that which they actually can move.
n synthesis, the matter of transport is today
real key to the Mexican-American program
joint production and economic cooperation
the prosecution of the war.

n my opinion, the best proof that the Gov-
ment of the United States recognizes the
damental importance of this question of

transport is the careful attention which Your
Excellency has personally given to it as well as
the attitude of your Government in sending to
Mexico at the suggestion of my Government, a
mission of technical railway men who will put
the fruit of their experience at the service of the
officials of the Mexican Railways for the pur-
pose of bettering conditions of their operation
and maintenance as well as to expedite the cur-
rent of traffic.

However, in order that our efforts may be
crowned with the desired success it is urgent
to carry out basic improvements in the lines
themselves, in their equipment and in their
motive power. For this the collaboration of
the Government as well as the industry of the
United States is indispensable.

I think at the same time that the operation
of the railways should be improved in order to
obtain the greatest efficiency in the utilization
of the resources already existing and of those
which may be obtained.

My Government, consequently, would be
gratified if the Government of the United States
of America would consider it possible to
strengthen the present mission of railway tech-
nicians including in it for a period of six
months—or for a longer time, which would be
determined officially by means of an exchange
of notes at the expiration of the term here
foreseen—an official of a high category possess-
ing ample knowledge of this subject; also a
limited number of specialists who could assist
him in carrying out a complete examination of
the National Railways of Mexico who could
likewise make available to them the results of
their investigations and who could aid them
with their advice.

I desire to assure Your Excellency that the
Government of Mexico on its part will see to
it that the necessary steps are taken—from the
point of view of the organization and function-
ing of the National Railways—to obtain the
maximum efficiency. With regard to this it
would gratefully receive the suggestions of the
North American Railway mission.

I take [etc.]

E. PADILLA

*The American Ambassador to the Mexican
Minister of Foreign Relations*

NOVEMBER 18, 1942.

EXCELLENCY:

I acknowledge with appreciation Your Excellency's cordial note of November 18, 1942 outlining the constructive work which the Government of Mexico has accomplished in implementing Resolution II of the Third Meeting of Ministers of Foreign Affairs of the American Republics at Rio de Janeiro through the mobilization of its economic resources, particularly in the production of strategic materials essential for the defense of the hemisphere. Your Excellency has indicated that the production of Mexico of materials for use in the prosecution of the war in which both of our countries are now engaged is being pressed to the limit, but you appropriately point out that unless certain basic changes and improvements are made in the structure and operation of the Mexican National Railways, these lines will not be able to carry the unusual war time peak load which is now and which will be increasingly placed upon them. It is made clear that unless this situation is promptly corrected, the war interests of our two countries and of the other United Nations will suffer. You refer to the joint efforts to improve the situation which have already been made through the cooperation of our two governments and request that this collaboration be extended materially.

The Government of the United States is in full accord with the thoughts expressed in Your Excellency's note under acknowledgment, and desires promptly to extend the added measure of collaboration which is essential to solve our mutual problems. Agencies of the Government of the United States have agreed to purchase from Mexican producers extensive quantities of a long list of strategic commodities. These are materials which are urgently needed by the United States in providing raw materials for the manufacture of war equipment for its own forces, for those of Mexico, and for those of the other United Nations. Were it not for the augmented strain being placed on the Mexican

National Railways because of United States purchases of strategic materials for its armed forces, the extensive rehabilitation of certain parts of the system and the furnishing of additional technical assistance and labor would be necessary for the normal needs of the railway lines. My Government considers that it would not be fair to expect Mexico to bear this disproportionate burden. Consequently, my Government is prepared to pay for its equitable share of the cost of the improvements which must be made in order that the materials in question may be transported to American war plants.

I have noted with gratification that, in consideration of the assistance by my Government, the Mexican Government will on its part see to it that there are taken, from an organizational and operating point of view, all measures necessary to achieve optimum efficiency of the Mexican National Railways and that in this connection it will welcome the suggestions and aid of the United States Railway Mission.

It is my understanding, from the informal conversations thus far held on the subject, that it will be acceptable to the Mexican Government if my Government undertakes, through the Office of the Coordinator of Inter-American Affairs, the following measures of rehabilitation on certain sections of the Mexican Railway

(1) The lines to be covered are—

(a) Main line extending south from United States border at Laredo, Texas, via Monterrey, Saltillo - San Luis Potosí to Mexico;

(b) East-west line from Torreón via Pánuco to Monterrey;

(c) Main line southward from Córdoba and Puerto Mexico via Jesus Carranza and Ixcotel through Suchiate on the Guatemalan border;

(d) Line from Chihuahua to Torreón

(2) Bear the cost of all materials and equipment which the United States Railway Mission shall agree with the Mexican Government to be necessary for the rehabilitation of the aforesaid lines, and which material and equipment must be obtained in the United States;

) Pay for such rails and fastenings provided in Mexico and agreed between the United States Railway Mission and the Mexican Government to be necessary for this same undertaking;

) Furnish without cost to Mexico the United States technicians agreed between the United States Railway Mission and the Mexican Government to be necessary;

) Bear the cost of repairing in the United States such Mexican National Railways motive power and other equipment which shall be mutually agreed upon shall be sent to the United States for repair under this particular rehabilitation program;

) Bear the cost of such additional Mexican gangs as the Mexican Government and the United States Railway Mission mutually agree are necessary to put into adequate operating condition the equipment of the lines aforementioned. Expenditures for this purpose will, of course, be of a character which the Mexican National Railways could not be expected to bear for normal maintenance purposes.

I am confident that it will be appreciated that for fiscal and accounting reasons it is necessary that the expenditures which the Governments of Mexico and the United States agree are desirable be first approved by the Chief of the United States Railway Mission in Mexico City so that he can certify to the appropriate agency of the United States Government that in his judgment the expenditures are necessary at a given time and in the amount stipulated. I have every confidence that there will be at no time major differences of opinion concerning the time or extent of aid which cannot be resolved by the frank and friendly consultative procedure which has so successfully characterized the relationships between the two Governments.

In addition to the materials and equipment, which in the opinion of the two Governments will be necessary to secure from the United States, there will undoubtedly be equipment and materials which the facilities of Mexican industrial supply, which would be furnished for the rehabilitation program by the Mexican Government.

My Government fully agrees with the view of the Mexican Government that this rehabilitation program must go forward with optimum rapidity unless our joint war efforts are to suffer.

I avail myself [etc.]

GEORGE S. MESSERSMITH

EDUCATION

Arrangement With Peru

A statement regarding an arrangement entered into by an exchange of notes between this Government and the Government of Peru for a cooperative training program for Peruvian students in the United States appears in this *BULLETIN* under the heading "Cultural Relations".

Publications

HACKWORTH'S "DIGEST OF INTERNATIONAL LAW", VOLUME IV

[Released to the press November 19]

Volume IV of Hackworth's *Digest of International Law* was released on November 19. It consists of 949 pages and comprises 4 chapters relating to (1) extradition, (2) international communications, (3) diplomatic officers, and (4) consuls. Three additional volumes, the manuscript for which was completed some time ago, are in the process of being printed.

During the week of November 16-21 the Department also released:

Diplomatic List, November 1942. Publication 1831. ii, 106 pp. Subscription, \$1 a year; single copy, 10¢.
The Proclaimed List of Certain Blocked Nationals: Cumulative Supplement No. 1, November 20, 1942, Containing Additions, Amendments, and Deletions Made Since Revision IV, Dated November 12, 1942. Publication 1833. 18 pp. Free.

Legislation

Amending the Nationality Act of 1940. S. Rept. 1675, 77th Cong., 2d sess., on H.R. 5554 [proposing amendment of section 406 by adding certain persons to the group exempted from loss of nationality under section 404 of the Act]. 2 pp.

Decorations of Military Forces of Cobelligerent Nations. S. Rept. 1701, 77th Cong., 2d sess., on S. 2852 [authorizing the President to confer decorations upon units of, or persons serving with, the military forces of cobelligerent nations]. 2 pp.

Authorizing the Deportation of Aliens to Countries Allied With the United States. H. Rept. 2640, 77th

Cong., 2d sess., on H.R. 7746 [enabling the Government to deport to allied countries certain alien citizens, or subjects of allied countries, who came for reasons growing out of the war be deported to countries, from a territorial standpoint, where the seat of their governments were formerly located]. 4 pp.

Domestic Stability, National Defense, and Prosecution of World War II: Legislative and Executive Background, 1933-42. [In three sections: Section I, Domestic Stability; Section II, National Defense—Administrative and Legislative Chronology of National Defense, June 1933—November 1941; Section III, World War II—Administrative and Legislative Chronology of the War, December 1941—October 1942.] S. Doc. 285, 77th Cong., 2d sess. 29 pp.

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THE DEPARTMENT OF STATE BULLETIN

NOVEMBER 28, 1942

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he War

AMERICAN MILITARY OPERATIONS IN FRENCH NORTH AFRICA

EXCHANGE OF MESSAGES BETWEEN PRESIDENT ROOSEVELT AND THE SULTAN OF MOROCCO

Used to the press by the White House November 23]

The President has sent the following message to His Majesty Sidi Mohammed, Sultan of Morocco:

TO HIS MAJESTY:

I have been highly pleased to learn of the admirable spirit of cooperation that is animating you and your people in their relationships with the French Administration and with the people of my country. This is particularly gratifying to me because our traditional friendship dates from the time of George Washington, the first President of the United States of America, to whom your noble predecessor gave, as a mark of personal affection, the building which houses the American Legation in Tangier.

Today the Axis powers are foes of both our countries. This foe seeks to impose on North Africa a scheme of military and political domination. His lust for booty has reached every phase of Moroccan life. I consider it fortunate that we are bound together in a common effort toward his destruction.

Our victory over the Germans and Italians will, I know, inaugurate a period of peace and prosperity, during which the Moroccan and French people of North Africa will flourish and thrive in a manner which befits their glorious past and be pleasing to God.

May God have Your Majesty in His safe and happy keeping.

FRANKLIN D ROOSEVELT

[Released to the press by the White House November 25]

His Majesty Sidi Mohammed, Sultan of Morocco, has replied to the President as follows:

We were happy to receive your message which came to us to express your friendship and to reinforce the friendly relations which had existed for a long time between the United States and Morocco.

After the Armistice of June, 1940, we made an agreement with the Representative of France in Morocco to defend our empire against any and all aggressors in order to prevent its occupation. When the American troops arrived in Morocco honor forced upon us the duty of defending ourselves in order that we might live up to our agreements. The limited means at our disposal were insufficient to permit us to defend our empire against forces superior both in numbers and in material. However, when the cessation of hostilities had been ordered and the Commanders of your troops affirmed that they did not come as conquerors but as liberators, when they had given us tangible proof of their friendly methods, we had faith in their agreements. All of the inhabitants of this country have received them as friends. Furthermore, Morocco has no disagreement with the great nation of the United States, whose chivalrous and liberal principles are known to us. It was, therefore, in the above spirit that we declared to Major General Patton that as long as our prestige, our soil, our religion and our traditions

were respected by your troops, they could rest assured that they found in Morocco only friends and collaborators.

The first contacts between peoples who do not know each other well enough are marked by hesitation and reticence, but progressively as reciprocal understanding is established between them, they are followed by esteem and friendship which creates a cooperative effort profitable for all.

Such has been the Franco-Moroccan collaboration which has been so rich in happy results for the prosperity and grandeur of Morocco. We are sure that the same will result from contact with The United States of America, for whom we have always had the greatest sympathy and with whom we have for many years had important commercial dealings.

It is in this hope, Mr. President, that we pray you to believe in our sincere friendship.

With best wishes for your personal happiness and for the greatness of your glorious country.

MOHAMMED BEN YOUSSEF

Done at our capital, Rabat the eighth day of the month of Dhou El-Kaada in the year one three six one.

REPLY OF PRESIDENT ROOSEVELT TO A CONGRATULATORY MESSAGE FROM THE PRIME MINISTER OF IRAQ

[Released to the press by the White House November 25]

The President has sent the following message to Nuri es Said, Prime Minister of Iraq, in response to an open letter from the Prime Minister congratulating the President on the successful operations in North Africa:

"The American Minister at Baghdad has advised me by telegraph of the text of your letter of November 18 regarding the American-British military operations in North Africa, and I hasten to express my deep appreciation of your message and the praise you have been good enough to bestow upon the American and British commanders and upon me. I have been especially happy to receive your assurance that the Arab peoples of the Near East, as well as those of North Africa, rejoice at the success of

the United Nations arms. You may be sure that America, together with the other United Nations, will not rest until the Arab world has been relieved of every vestige of the threat of Axis aggression which has so long hung over it. In this great undertaking, which we shall prosecute with ever-increasing power, we are proud to feel that we have the sympathy and cooperation of Iraq and of all the Arab peoples.

"Please accept my best wishes for your personal welfare and that of the people of Iraq."

GERMAN ATTEMPTS TO EXTORT RANSOM PAYMENTS FOR PERSONS IN OCCUPIED COUNTRIES

[Released to the press November 24]

Information in the possession of the Government of the United States indicates that the German authorities are developing an organized business of selling exit permits from occupied countries. In practice, the Germans are attempting to obtain from relatives and friends of persons in these countries the payment of ransom, payment being made in neutral currency useful to the German war effort. Similar information has been received by the British and Netherlands Governments.

The manner in which this system of extortion is carried on is described in a report to the Department by one of our missions abroad in the following terms:

"The ransom system as practiced at present seems to be an extension of the practice instituted by the Nazi Government where unemployed emigrants were permitted to leave Germany if the state were compensated on their departure by all of their visible wealth, with the exception of a small percentage, usually reduced in effect to about ten or twelve and one-half percent, which the emigrant was permitted to retain and to export abroad. It is very apparently designed to provide foreign exchange for the furtherance of the German war effort (though there may be reason for suspicion that individual members of the Nazi Party may personally profit by it). The United States

ked upon as the most fruitful source of the
ected funds; and banking agents, or other
ermediaries, have been canvassing means for
cumventing American laws and the Treas-
y Regulations governing money exports,
an effort to provide the ransom sums
anded.

In the hostage and ransom system the vic-
s are subjected to terrorization whereby their
ire to find refuge in one of the United Na-
ns or a neutral country is immeasurably
reased. First, they are made the victims of
earable restrictions designed to make life not
rth living, usually under confinement in vile
ncentration camps; and, second, they are
ed with the threat of deportation to domains
Eastern Europe, with the prospect of an
known and possibly horrible fate awaiting
m there."

The system seems to have been applied par-
ularly to persons in the Netherlands and has
veloped to the scale of a regular traffic. The
ns demanded vary according to the financial
ources of the victims. Amounts as high as
0,000 for a single person have been quoted.
se sums are required to be paid into an ac-
unt in the name of some intermediary in a
nk in a neutral country, from which the
ney is eventually transferred to the credit of
German Reichsbank.

Methods of combating this barbaric and in-
man practice have been the subject of discus-
n between the United States Government, the
itish Government, and the Government of
Netherlands. All three Governments are
eed as to the need for energetic measures to
ress this traffic. The most effective means of
aling with extortion is to prevent the extor-
ner from benefitting from his viciousness.
he Germans can be prevented from obtaining
sums they are demanding for the release
hostages, their incentive to find new victims
l be removed. Yielding to these attempts
extortion merely encourages the Nazis to em-
y them against other helpless victims.

The three Governments have also had in mind
substantial benefit which would accrue to the
rman war effort if this traffic were permitted

to develop. The degraded methods which the
Germans are using are a measure of their des-
peration for foreign exchange and serve to
indicate both the difficulty which the enemy is
having in producing goods for exportation to
the neutral countries and the effectiveness of the
United Nations' financial blockade.

Warning is hereby given that any person in
a country to which the Proclaimed List of
Certain Blocked Nationals applies who acts as
a broker or agent in this traffic will immediately
be included in that list and thereby be publicly
designated as an enemy. Furthermore, persons
in such countries who pay ransom are warned
that they are assisting the enemy in his war
effort and are rendering themselves liable to
treatment as enemies.

One of the purposes of the freezing-control
regulations administered by the Treasury De-
partment is to prevent practices of this sort.
The Department understands that no licenses
under the freezing regulations have been
granted to persons in the United States to make
such payments and that the Treasury Depart-
ment has investigated a number of cases of at-
tempts to extort ransom payments from per-
sons in this country. It would be a violation
of the freezing regulations and of the Trading
With the Enemy Act to make such a payment
without a license, and the Department is in-
formed by the Treasury Department that in
case of such a violation all appropriate sanc-
tions would be invoked against the persons
participating.

FALSE REPORTS OF GERMAN DELIVER- ANCE TO THE SPANISH GOVERNMENT OF FORMER OFFICIALS

[Released to the press November 23]

With reference to current reports in this
country that Señores Largo Caballero and
Caceres Quiroga¹ had been turned over to the

¹ Señor Francisco Largo Caballero was formerly
Prime Minister and Minister of War in Spain. Señor
Don Santiago Caceres Quiroga was formerly Minister
of the Interior.

Spanish Government by German forces, the Spanish Ambassador, under instructions from his Government, informed the Department of State on November 23 that not only have these

individuals not been turned over to the Spanish Government but the Spanish Government has not received any offer that these individuals be delivered to the Spanish Government.

Cultural Relations

BUILDING OUR RELATIONS WITH THE FAR EAST

ADDRESS BY HALDORE HANSON¹

[Released to the press November 28]

It seems especially appropriate to discuss with you the subject of building our relations with the Far East. You appreciate that as teachers of the social sciences you are an important instrument in the building of future American foreign policy. Your courses in history and geography give to each school child his first ideas about foreign nations and foreign peoples. These ideas may build respect for certain foreign nations, or they may create prejudices. It would be interesting to determine to what extent our school books contributed to the general impression before the war that Japan was small and unimportant.

The attention given to the Far East in the average social-studies class, I understand, has been very meager compared to that directed toward the major European nations. In 1939 a student in the Graduate School of Education at Harvard University completed a thesis on the study of China and Japan in American secondary schools. His findings were not surprising, but his statistics are worth noting. An examination of 85 textbooks led to the conclusion that a pupil taking the most commonly offered social-studies course each year and using a textbook which gives the average amount of attention to the Pacific area, would during his high-school career read only 58 pages of printed matter on the Far East, or 1.6 percent of the

total textbook materials. You know that more than a quarter of all the people in the world live in China and Japan, yet the textbooks devote less than 2 percent of their space to those countries.

This student of education found also that the average textbook in the world-history course offered in the tenth grade of our high schools devotes about 20 pages to China and Japan, or 2.7 percent of the whole. The world-history course, I understand, is intended to give the high-school student the broadest approach to understanding of the world that can be offered in any of his high-school classes. Yet less than 3 percent of the course is devoted to eastern Asia, where a quarter of the world's population now lives.

It is with the thought, then, that you, social-science teachers, have a very personal interest in the building of American foreign relations that I proceed to the opportunity for building our relations with the Far East.

In this discussion we may rule out a crystal-gazing on the question of post-war settlements in Asia, but I should like to make a few comparisons between the last war and this one. One comparison concerns Japan; the other, China.

In 1917 Japan was one of the Allied powers. Therefore victory, when it was attained in 1918, inevitably reinforced the position of Japan as the leading military and political power in eastern Asia. Today the situation is reversed. The victory which the United Nations are seeking must include the destruction of Japan.

¹ Delivered at the national convention of the National Council for Social Studies, New York, N. Y., Nov. 28, 1942. Mr. Hanson is with the Division of Cultural Relations, Department of State.

military power. In the words of President Roosevelt, speaking on October 12, 1942, "The objective of today is clear and realistic. It is to destroy completely the military power of Germany, Italy, and Japan to such good purpose that their threats against us and all the other United Nations cannot be revived a generation hence."

China likewise provides an important contrast between the war years of 1917 and 1942. Twenty-five years ago China was our ally but was far removed from the major theaters of warfare. Today China has given the lives of more of its citizens in resisting Japan than has any other of the United Nations. President Roosevelt gave full recognition to the honored position of China in a speech delivered on April 1, 1942. The President said: "We remember that the Chinese people were the first to stand up and fight against the aggressors in this war; and in the future an unconquerable China will play its proper role in maintaining peace and prosperity not only in eastern Asia but in the whole world."

Our Government gave evidence of the spirit of its relations with China when, on October 9, 1942, the Chinese Ambassador in Washington was informed that this Government was prepared promptly to negotiate with the Chinese Government a treaty providing for the immediate relinquishment of this country's extraterritorial rights in China. Some of the provisions of the treaties between China and western powers had been regarded by Chinese leaders for nearly a century as derogatory of China's sovereignty. Today the Chinese are indicating through the speeches of their leaders that they have entered a new political era and expect to be consulted on the post-war settlement in Asia. The Chinese have been quick to point out that their new role should not be compared to the pre-war position of Japan. Generalissimo Chiang Kai-shek, in a message to a New York public forum earlier this month, said in part:

"Among our friends there has been recently some talk of China emerging as the leader of Asia, as if China wished the mantle of an un-

worthy Japan to fall upon her shoulders. Having herself been a victim of exploitation, China has infinite sympathy for the submerged nations of Asia, and toward them China feels she has only responsibilities—not rights. We repudiate the idea of leadership of Asia . . ."

There you have in broad terms an indication of the new relations in the Far East for which the United Nations are fighting. The imperialistic program of Japan must be destroyed. China will assume her rightful position in the community of nations.

In order to make the remainder of this discussion as concrete as possible, I propose to consider here the building of our relations with China. This limitation is made partly for personal reasons, since my five years in the Far East were spent largely in China, and since I am now employed by the Department of State to assist with a program of cultural relations with China.

On January 14, 1942 President Roosevelt at the request of the Secretary of State set aside a modest amount of money with which to inaugurate the China cultural-relations program. The adoption of cultural relations as an instrument of American foreign policy is a comparatively new development. A program of cultural relations with the other American republics was set up in 1937. The China program began one month after Pearl Harbor although the Department had been preparing plans for more than one year before the Japanese attack. Programs for other parts of the world are still in the discussion stage.

A definition of cultural relations as conducted by our Government is not easily given. Let me first point out what cultural relations are not. There are certain instruments of foreign policy with which cultural relations should not be confused.

For example, cultural relations are not a wartime publicity program. The Office of War Information, under Mr. Elmer Davis, has been charged by the President with the dissemination of war information. In China the staff of the OWI is carrying on its work through local

newspapers, radio stations, motion-picture theaters, and libraries. Their job is to deliver war information.

Secondly, cultural relations are not a form of military assistance. The Lend-Lease Administration handles that function for our Government.

Thirdly, cultural relations are not a relief program. The President has appointed a War Relief Administrator, who will distribute American food, clothing, and medicines in foreign countries. In China, it should be noted, too, United China Relief and the American Red Cross have made available millions of dollars worth of relief supplies from the private citizens of the United States.

Finally, cultural relations are not designed for the promotion of American goods. Before the war our Government maintained in China commercial and agricultural officers. Their duties included the study of possible markets for American products.

All these activities may be excluded from the field of cultural relations. We may expect that in the building of relations with the Far East our Government will continue to use publicity. It will continue to give military supplies. It will continue to give civilian relief, and ultimately it will assist in the revival of international commerce.

Now where do cultural relations fit in? In broad terms cultural relations are the exchange of ideas and techniques which will enable nations mutually to enrich the lives of their citizens. The kind of knowledge which we seek to exchange is not limited to the arts and other cultivated intellectual interests, as the word *cultural* is often interpreted. Cultural relations may be concerned with music, with painting, and with literature, but the full scope of the program is much broader. Under cultural relations our Government wishes to exchange knowledge of public health, of better agriculture, better education, better engineering, better scientific research. In short, cultural relations aim to give other nations the same kind of

knowledge and trained personnel which has enabled this nation to improve the lives of its people; and we wish to bring from foreign lands those skills and ideas which will enrich the lives of Americans.

The techniques of cultural relations are various. Knowledge can be spread through the exchange of professors and students, through the distribution of books and educational motion pictures, through the meetings of professional societies, through the exchange of visits by distinguished citizens. For example, to assist with public-health problems in the other American republics our Government has sent some of our best health specialists southward, and has brought South American medical students northward, and has distributed medical books to universities in the other republics.

The program for China was set up within the framework of the definition which I have just given.

The Government recognized at the outset that private American citizens had been engaged in some phases of cultural relations with China for nearly a century. Missionaries by the thousands have spent their lives in China. Along with their religious work they have conducted many secular activities. Several hundred of the best high schools in China were established by missionaries. At least 14 Chinese colleges were founded by Americans. More than a hundred hospitals and a dozen agricultural experiment stations can be traced back to missionaries. Most of these institutions are now administered by Chinese, and many of them no longer receive financial aid from American churches. But the institutions remain as monuments to the friendship between the Americans and the Chinese people.

Two results of American missionary education should be noted especially. First, English has become the second language in China. The study of English is now a requirement in most high schools under the supervision of the Ministry of Education. The importance of cultural relations of this language study can be

appreciated by those who have worked for better relations with Latin America, where French, not English, is the secondary language. We can thank the missionaries for promoting the language tool whereby the Chinese today are able to read about the United States in our own language.

Secondly, missionary schools have led many Chinese students to come to the United States for advanced study. From 1900 to 1941 our universities were privileged to receive each year a large migration of Chinese. None have come this year, but approximately 1,000 Chinese who arrived in recent years are still in this country. The original stimulus for this migration of students came largely from the missionaries. Religious workers were not the only American citizens who became interested in cultural relations. Great philanthropic organizations have invested millions of dollars in China. In 1924, for example, the Rockefeller Foundation financed the merger of several missionary medical schools to form the Peking Union Medical College, which is generally regarded as the best medical training center in eastern Asia. If I were to do full justice to the enterprises of our private citizens, I should be compelled to mention nearly 100 American groups which have carried on educational, health, and research work in China.

The Government in drafting its plans for cultural relations undertook certain projects which could not easily be performed at this time by private citizens. Let me tell you, for example, about our microfilm project. Many Chinese university professors have relied in the past upon American scientific and technical journals for a part of their classroom materials. This was a natural tendency because so many Chinese professors were educated in the United States. When Japanese submarines and military planes fanned out along the coast of southern Asia, regular mail to China was interrupted and airmail was uncertain. American technical journals failed to arrive at Chinese universities. One of our first tasks under the China cultural-relations program was to arrange for the

microfilming of approximately 60 American periodicals. A microfilm, as you may know, is the same as a 35-mm. motion-picture film. Each frame of the film, although less than an inch wide, contains the reproduction of 2 printed pages. A pound of film can reproduce 1,600 pages from a magazine or book. The Department of State is now sending more than 3,000 pages a month of microfilmed materials to China. Five copies of each film are made for distribution to universities, and the negative is also sent to enable the Chinese to make additional copies. The film can be read by the use of a small wall projector which enables about 15 persons to read the film at one time. That is one of our Government projects.

Another is the assistance given to some of the Chinese students in this country. About 600 of the 1,000 students have encountered financial difficulty during the past 12 months because the war has cut off their financial aid from China. Our Government has provided small living allowances for about 200 of these students. The Chinese Government has aided about an equal number, and the others have been befriended by American universities or have been given salaried employment.

The Department of State has recently appointed an employment counselor for Chinese students. He will seek to place the students, as they graduate from universities, in paid positions where they will be able to continue their training. This placement work is comparatively easy for students of engineering and science. It is more difficult for those who have specialized in education, history, or economics. During the next year we hope to find a solution whereby those students may receive useful training until they are able to return to China.

A third Government project for cultural relations is the sending of American technical experts to assist the Chinese Government. Last spring the Chinese Foreign Office was asked what kinds of specialists that Government needed most urgently. The Chinese sent a list of their requirements in such fields as public health, education, engineering, and agriculture.

Seven Americans have already been appointed by the Department of State to go to China under this project. Others will follow. Nearly all these Americans are expected to remain abroad for a minimum of one year.

I have given you three examples of projects under our cultural-relations program, all of which are calculated to be of assistance to the Chinese war effort. The program is still in its infancy. Its activities will undoubtedly be altered after the war, but its purpose will continue to be the exchange of knowledge and of skill which will be of mutual benefit to the peoples of the United States and China.

VISIT TO THE UNITED STATES OF CHILEAN SPECIALIST

[Released to the press November 25]

Dr. Leonardo Guzmán, Director of the Chilean National Radium Institute of Santiago, Chile, and formerly the Minister of Public Education, the Minister of the Interior, and the Director General of Health in Chile, arrived in Washington November 25 for a two months' visit to leading cancer-research and X-ray centers in this country. He is a guest of the Department of State.

American Republics

PAYMENT BY MEXICO UNDER CLAIMS CONVENTION OF 1941

[Released to the press November 27]

The Ambassador of Mexico has formally presented to the Secretary of State the Mexican Government's check for \$2,500,000 representing the first annual instalment due to the United

States under the Claims Convention concluded November 19, 1941.¹

Under the terms of the Convention, Mexico agreed to pay the United States \$40,000,000 in settlement of certain property claims of citizens of the United States against the Government of Mexico, as described in the Convention. Payments heretofore made amount to \$6,000,000. With the present payment of \$2,500,000 the balance remaining amounts to \$31,500,000, to be liquidated over a period of years by the annual payment by Mexico of not less than \$2,500,000.

PRESENTATION OF LETTERS OF CREDENCE BY THE MINISTER OF HAITI

[Released to the press November 25]

A translation of the remarks of the newly appointed Minister of the Republic of Haiti, Mr. André Liautaud, upon the occasion of the presentation of his letters of credence, follows:

MR. PRESIDENT:

I have the honor to place in your hands, Mr. President, the letters of recall of my distinguished predecessor, Minister Fernand Dennis, those which accredit me near Your Excellency's Government as Envoy Extraordinary and Minister Plenipotentiary of the Republic of Haiti.

The present grave events make my mission to the United States a particularly delicate task, and I should fear my inability to perform properly if I did not have to guide and sustain me the formal and precise directions which I received from Your Excellency the President of Haiti, Mr. E. Lescot, formulated with rare felicity in the message which he addressed to the Haitian nation on the day after he entered upon his duties: "The international policy of the Haitian Government", he said, "is and will continue to be a faithful and sincere reflection of the international policy of the Government of the United States, to which Haiti, in this war, is united."

¹ BULLETIN of Nov. 22, 1941, p. 400.

the strongest bonds, in order to obtain the victory which shall liberate humanity."

It is therefore this international policy of the Haitian Government which it is my task to uphold during the period of my mission to the United States. It is these bonds of the most sincere friendship which it is my duty to strengthen. I make bold to hope that with your Excellency's benevolent assistance I shall be enabled to accomplish my appointed work in a satisfactory manner.

And I make bold to hope also, Mr. President, that, after passing victoriously through the preliminary test of a war which has been thrust upon them by totalitarian barbarity, our two countries will find themselves even more united in a peace definitively organized for the happiness of the world.

Permit me, Excellency, to offer to you, together with the best wishes of the Haitian Government and people, those which I myself feel for your personal happiness and the welfare of your noble American nation.

The President's reply to the remarks of Mr. Lescot follows:

MINISTER:

I accept with pleasure the letters by which your Excellency the President of the Republic of Haiti has accredited you as Envoy Extraordinary and Minister Plenipotentiary near the Government of the United States of America. I accept also the letters of recall of your esteemed predecessor, Mr. Fernand Dennis, whose relations with the officials of this Government during his successful mission in Washington have been upon an exceptionally friendly basis.

The leadership of His Excellency President Lescot in inter-American affairs is a source of great satisfaction to my Government. The sentiment of the Haitian people which the President reflected in the message to which you refer is the best tradition of the happy relations which bind our two countries. I hope, Mr.

Minister, that you will be so kind as to take an early occasion to convey my feeling of gratitude to President Lescot for his continued deep interest and important cooperation in the tasks which confront us and in those which will follow our joint victory.

You may be assured, Mr. Minister, that it will be a pleasure for me personally and for the officials of this Government to continue with you the close and effective collaboration in matters of mutual interest to our Governments which has happily characterized our relations with your distinguished predecessor.

I entrust to you my cordial good wishes for the personal welfare and happiness of the President of the Republic of Haiti, and for the prosperity of your country.

Europe

TWENTY-FIFTH ANNIVERSARY OF THE FOUNDING OF THE SOVIET UNION

[Released to the press November 24]

The Secretary of State has received the following message:

Moscow, November 21, 1942.

Sincerely thank you, Mr. Secretary of State, for your friendly greetings on the occasion of the 25th anniversary of the founding of the Soviet Republic.¹ The success of the allied arms in Africa presaging a new destructive blow to the Italian and German usurpers strengthens still more the assurance that military alliance of our countries and all liberty-loving peoples will bring about full triumph over common enemy, Hitlerian tyranny.

V. MOLOTOV

¹ BULLETIN of Nov. 7, 1942, p. 894.

International Conferences, Commissions, Etc.

INTER-AMERICAN CONGRESS ON SOCIAL PLANNING

The Inter-American Congress on Social Planning was held at Santiago, Chile, from September 10 to September 16, 1942 at the invitation of the Chilean Government. The meeting was called in accordance with resolutions of the Inter-American Committee on Social Security established at Lima, Peru, in December 1940 by a group of persons who were guests of the Peruvian Government at the dedication of the Bank of Social Security Funds and the opening of the Workers' Hospital. The Committee was organized to make possible a systematic and continuous exchange of information among the social-security institutions of the American republics, and it was planned that it would cooperate with the International Labor Office in attaining its objectives.

The organization of the Congress was entrusted to an Organizing Committee appointed by the Chilean Government and headed by the Chief of the Division of Social Welfare. The International Labor Office cooperated in the preparations for the meeting, and Mr. Oswaldo Stein of that Office was designated as a member of the Organizing Committee.

The following persons comprised this Government's delegation to the Congress:

Delegates:

Arthur J. Altmeyer, Ph.D., Chairman, Social Security Board, Federal Security Agency; *chairman of the delegation*

A. Ford Hinrichs, Ph.D., Acting Commissioner, Bureau of Labor Statistics, Department of Labor

George St. J. Perrott, Chief, Division of Public Health Methods, National Institute of Health, Public Health Service

Emile Rieve, President of the Textile Workers of America, and Vice President of the Congress of Industrial Organizations, Washington, D.C.

Technical Adviser:

Wilbur Cohen, Technical Adviser to the Social Security Board, Federal Security Agency

970

Secretaries:

John M. Clark, Director, Emergency Rehabilitation Division, Office of the Coordinator of Inter-American Affairs

Sheldon T. Mills, Second Secretary, American Embassy, Santiago, Chile

At the invitation of the Chilean Government, the Governing Body of the International Labor Office was represented by a tripartite delegation composed of Mr. Paul van Zeeland, former Premier of Belgium (Government Group), Mr. Clarence G. MacDavitt, of the United States (Employers' Group), and Mr. Robert J. Wagner of the United States (Workers' Group). Mr. van Zeeland spoke before the meeting on September 12 and made an eloquent plea for men of good-will to pursue the war to a victorious conclusion.

Mr. Nelson A. Rockefeller, Coordinator of Inter-American Affairs, was present as a guest of the Congress and addressed the meeting on September 14.

The principal results of the Congress were (1) the adoption of a declaration consisting of 16 resolutions concerning the extension and development of social security; and (2) the adoption of a resolution providing permanent statutes for the "Inter-American Conference on Social Security". This resolution also set up machinery designed to perfect and make permanent the organization of the Inter-American Committee on Social Security.

The Congress in its declaration took cognizance of the inalienable right of human beings to be afforded physical and economic protection against social and economic risks and adopted among other measures resolutions on the following subjects: Extension of social insurance to agricultural workers, domestic servants, and the self-employed; extension of social insurance to intellectual workers; social insurance against

ustrial accidents and occupational diseases;
 acy and economy of medical and pharma-
 tical benefits in health-insurance plans; dis-
 ity insurance; participation of employers
 workers in the administration of social se-
 ity; maintenance of insurance rights of
 ilized persons; unification of biostatistical
 ormation; and protection of maternity,
 dhood, and adolescence.

he resolution establishing the Inter-Ameri-
 Conference on Social Security as a perma-
 t agency of cooperation provided that the
 manent Inter-American Committee on So-
 Security should give effect to the resolutions
 recommendations adopted by the First
 gress, should formulate the agenda for fu-
 e meetings, and should contribute by every
 ans to the attainment of the purposes of the
 er-American Conference on Social Security.
 resolution further provided that the Perma-
 t Committee shall consist of one regular
 nber and at least one substitute member from
 a country represented at the Congress who
 to be appointed by their respective govern-
 ments.

General

CONTROL OF AMERICAN NATIONALS EN- TERING AND LEAVING THE UNITED STATES

leased to the press November 23]

On November 18, 1942 the Secretary of State
 ed an order canceling, effective after 6
 ock in the forenoon of December 1, 1942,
 division (d) of section 58.3 of the regulations
 ed on November 25, 1941, as amended, re-
 ng to the control of American nationals en-
 ng and leaving the United States.¹ The
 apical result of such cancellation will be to
 uire each American national who seeks to
 el between any territory of the United
 tes and any of the islands of the West Indies,

BULLETIN of Nov. 29, 1941, p. 432.

including the Bahamas, to bear a valid passport
 which in the case of a person seeking to enter
 American territory has been verified by an
 American diplomatic or consular officer.

The Department

THE OFFICE OF FOREIGN TERRITORIES

On November 25, 1942 the Secretary of State
 issued the following departmental order (no.
 1110).

"Responsibility for dealing with all non-
 military matters arising as a result of the mili-
 tary occupation of territories in Europe and
 North Africa by the armed forces of the United
 Nations and affecting the interests of the United
 States is hereby assigned to the Division of
 European Affairs.

"In order that the interests of other divisions
 and offices of the Department in this field of
 operations may be effectively coordinated and
 their facilities fully utilized and that the neces-
 sary liaison with other departments and agencies
 may be maintained so far as practicable through
 established channels, there is hereby established
 as a component part of the Division of European
 Affairs an Office of Foreign Territories. The
 Adviser on International Economic Affairs and
 the Chiefs of the Divisions of Near Eastern
 Affairs, Special Research, Defense Materials,
 Foreign Funds Control, Commercial Policy and
 Agreements and the Financial Division are di-
 rected to cooperate fully with the Office of For-
 eign Territories and are authorized to detail
 personnel to that Office. Mr. Paul Appleby,
 who is hereby designated Special Assistant to
 the Secretary of State, will be in charge of the
 Office of Foreign Territories, the office symbol
 of which shall be FT.

"The provisions of this Order shall be effec-
 tive immediately and shall supersede the provi-
 sions of any existing Order in conflict there-
 with."

Treaty Information

STRATEGIC MATERIALS

Agreement With Uruguay for the Purchase Of Uruguayan Wool

[Released to the press November 23]

The Department of State, the Board of Economic Warfare, and Defense Supplies Corporation announced on November 23 that in order to aid in the stabilization of the economy of Uruguay and to assure the availability of wool for war purposes, the United States Government has agreed to purchase the unsold portion of the 1941-42 Uruguayan wool clip of grades and types suitable for use in this country and to underwrite a substantial portion of the 1942-43 clip of similar types and grades. The negotiations were carried on in Washington with representatives of the Uruguayan Wool Commission headed by its president, Mr. F. Podesta Milans; Mr. Crisologo Brotos, delegate of the Uruguayan Government for that purpose; and representatives of the Uruguayan Embassy in Washington.

The agreement was put into effect by an exchange of notes, dated November 23, 1942, between the Secretary of State and the Ambassador of Uruguay.

MUTUAL AID

Agreement With Guatemala

There was signed at Guatemala on November 16, 1942 an agreement between the United States of America and the Republic of Guatemala relating to the principles applying to mutual aid in the prosecution of the war against aggression (lend-lease agreement). At the time of the signing of this agreement there was an exchange of notes between the American Minister at Guatemala and the Guatemalan Minister of Foreign Affairs setting forth the

understanding of the two Governments with respect to the application of certain provisions of the mutual-aid agreement and with respect to the application of a memorandum of agreement relating to air bases accompanying the exchange of notes. The mutual-aid agreement will be printed in the Executive Agreement Series.

Lend-lease agreements signed with other American republics include: Bolivia, December 6, 1941; Brazil, March 3, 1942 (this superseded an earlier agreement dated October 1, 1941); Colombia, March 17, 1942; Costa Rica, January 16, 1942; Cuba, November 7, 1941; Dominican Republic, August 2, 1941, supplementary agreement, August 6, 1941; Ecuador, April 6, 1942; El Salvador, February 2, 1942; Haiti, September 16, 1941; Honduras, February 28, 1942; Mexico, March 27, 1942; Nicaragua, October 16, 1941; Paraguay, September 20, 1941; Peru, March 11, 1942; Uruguay, January 13, 1942; and Venezuela, March 18, 1942.

AMITY

Treaty Between China and Cuba

The American Ambassador at Chungking reported by a telegram dated November 14, 1942 that a Treaty of Amity between China and Cuba was signed at Habana on November 11, 1942.

CLAIMS

Agreement With Mexico

A statement regarding a payment by the Mexican Government under the Claims Convention signed November 19, 1941 appears in the BULLETIN under the heading "American Republics".

Legislation

...erving the Residence for Naturalization Purposes
...Certain Aliens Who Serve in the Military or Naval
...forces of One of the Allied Countries During the
...cond World War, or Otherwise Assist in the Allied
...war Effort. H. Rept. 2657, 77th Cong., on H. R.
...50. 6 pp.

Amending First War Powers Act Extending Censorship
To Include Communications Between Continental
United States and Any Territory or Possession or
Between Any Territory or Possession and Any Other
Territory or Possession. S. Rept. 1705, 77th Cong., on
H.R. 7151. 3 pp.

Authorizing the Execution of Certain Obligations Under
the Treaties of 1903 and 1936 With Panama. S. Rept.
1720, 77th Cong., on S.J. Res. 162. 8 pp.

U. S. GOVERNMENT PRINTING OFFICE: 1942

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THE DEPARTMENT OF STATE BULLETIN

DECEMBER 5, 1942

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The War

AGREEMENT WITH CANADA REGARDING POST-WAR ECONOMIC SETTLEMENTS

Released to the press December 21

An agreement setting forth the principles which will guide the Governments of the United States and Canada in approaching the problem of post-war economic settlements was concluded November 30 by an exchange of notes between the Secretary of State and the Canadian Minister, Mr. Leighton McCarthy. In this exchange of notes the two Governments formally record their concurrence that post-war settlements must be of a sort which will promote mutually advantageous economic relations between them and the betterment of world-wide economic relations.

In indicating the objectives of such post-war settlements the agreement follows the underlying principles set forth in article VII of mutual-aid agreements which have been negotiated with the United Kingdom and a number of other countries. The two Governments indicate their readiness to cooperate in formulating a program of agreed action, open to participation by all other nations of like mind. Its aims will be to provide appropriate national and international measures to expand production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to eliminate all forms of discriminatory treatment in international commerce; to reduce tariffs and other trade barriers; and, generally, to attain the economic objectives of the Atlantic Charter.

To that end the agreement provides for the early commencement of conversations, within the framework which it outlines, between the Governments of the United States and Canada

and with representatives of other United Nations, with a view to establishing now the foundations upon which we may create after the war a system of enlarged production, exchange, and consumption of goods for the satisfaction of human needs in our country, in Canada, and in all other countries which are willing to join in this great effort.

The agreement particularly emphasizes the similarity of interests on the part of the United States and Canadian Governments in post-war international economic policy and the collaboration for mutual aid in defense and in economic matters which has been provided through the Ogdensburg and Hyde Park Agreements¹ and subsequent arrangements. It states that in the conversations to be undertaken between the two Governments an effort will be made to furnish the world with a concrete example of how two friendly, economically interdependent countries, convinced that reciprocally beneficial relations of the sort prevailing between them must form part of a general system, may promote by agreed action their mutual interests to the benefit of themselves and other countries.

The texts of the notes exchanged follow.

The Secretary of State to the Canadian Minister

DEPARTMENT OF STATE,
Washington, November 30, 1942.

SIR:

I have the honor to set forth below my understanding of the conclusions reached in conversations which have taken place from time to

¹ BULLETIN of Aug. 24, 1940, p. 154, and Apr. 26, 1941, p. 494.

time during the past year between representatives of the Government of the United States and the Government of Canada with regard to post-war economic settlements.

Our two Governments are engaged in a co-operative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations. They have agreed to provide mutual aid both in defense and in economic matters through the Ogdensburg and Hyde Park Agreements and subsequent arrangements. They are in agreement that post-war settlements must be such as to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations.

To that end the Governments of the United States of America and of Canada are prepared to cooperate in formulating a program of agreed action, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

Our Governments have in large measure similar interests in post-war international economic policy. They undertake to enter at an early convenient date into conversations between themselves and with representatives of other United Nations with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by agreed action on the part of our two Governments and other like-minded Governments. In the conversations to be undertaken between the Governments of the United States of America and of Canada they will seek to furnish to the world concrete evidence of the ways

in which two neighboring countries that have long experience of friendly relations and a high degree of economic interdependence, and who share the conviction that such reciprocal beneficial relations must form part of a general system, may promote by agreed action their mutual interests to the benefit of themselves and other countries.

If the Government of Canada concurs in the foregoing statement of conclusions, I would suggest that the present note and your reply to that effect should be regarded as placing on record the understanding of our two Governments in this matter.

Accept [etc.]

CORDELL HULL

The Canadian Minister to the Secretary of State

CANADIAN LEGATION,

Washington, November 30th, 1941.

SIR:

I have the honour to refer to your note of November 30th, 1942, setting forth your understanding of the conclusions reached in conversations between representatives of the Government of Canada and the Government of the United States with regard to post-war economic settlements. That understanding is as follows:

Our two Governments are prepared to cooperate in formulating a program of agreed action, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14th, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

Our Governments have in large measure similar interests in post-war international economic policy. They undertake to enter at an early convenient date into conversations between

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ited States of America they will seek to fur-
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hich two neighbouring countries that have a
g experience of friendly relations and a high
ree of economic interdependence, and that

share the conviction that such reciprocally
beneficial relations must form part of a gen-
eral system, may promote by agreed action their
mutual interests to the benefit of themselves and
other countries.

I am instructed to inform you that the Gov-
ernment of Canada concur in the foregoing
statement of conclusions and agree to your sug-
gestion that your note of November 30th, 1942,
and this reply should be regarded as placing on
record the understanding of our two Govern-
ments in this matter.

Accept [etc.]

LEIGHTON MCCARTHY

DEFENSE AGREEMENT WITH LIBERIA

leased to the press December 3]

he Government of Liberia has granted to the
ernment of the United States for the dura-
of the war the right to construct, control,
rate, and defend airports in Liberia and to
st also in the protection and defense of any
of the Republic which might be liable to
ck during the present emergency. An
ement was signed at Monrovia on March 31,
by the Liberian Secretary of State and
Col. Harry A. McBride, Special Represen-
ve of the President of the United States,
er the terms of which the United States was
ted exclusive jurisdiction over airports,
ifications, and such other defense areas as
mutually be considered necessary. The
ublic of Liberia retains sovereignty over all
airports and defense areas, while the
ed States maintains jurisdiction over Amer-
military and civilian personnel stationed in
ria.

t the same time, by an exchange of letters
een President Barclay and Colonel Mc-
e, the United States agreed to extend cer-
defense aids to the Government of Liberia
to assist in the improvement and extension
s road system.

ne strategic situation of Liberia, on the west
t of Africa, and the consequent danger of
ck or aggression by unfriendly powers led
Government of Liberia to request the Gov-
ernment of the United States to give such aid

as might be possible in order to safeguard the
independence and security of the Republic.
The traditional friendly interest of the United
States in the welfare of Liberia resulted in the
measures described above.

American forces, chiefly composed of Negro
troops, are now stationed in Liberia in execution
of the agreement. The German Consul and his
staff recently departed from Monrovia at the
request of the Liberian Government, thus elimi-
nating Axis interests from the country.

The American Minister to Liberia, Mr. Lester
A. Walton, came to the United States in Febru-
ary 1942 for consultation with this Government
on matters concerning Liberia and is expected
to return shortly to his post at Liberia.

The text of the agreement follows.¹

Agreement Between the Governments of the United States of America and Liberia

WHEREAS:

The situation of Liberia is made critical by
the existing war and there is danger of attack
or aggression by unfriendly powers; and

2. additional protection is necessary in order
that the independence and security of the Re-
public may be safeguarded; and

3. the Government of Liberia has requested
that the Government of the United States be-
cause of its traditional friendly interest in the
welfare of Liberia, give such aid as may be

¹ The text here printed conforms to the original.

possible in the circumstances in the defense of the Republic; and

4. the Government of Liberia has granted the Government of the United States in this emergency the right to construct, control, operate and defend at the sole cost and expense of the latter and without charge to the Republic of Liberia, such military and commercial airports in the Republic as in consultation with the Government of the Republic of Liberia may mutually be considered necessary; and the right also to assist in the protection and defense of any part of the Republic which might be liable to attack during the present war, said grant to include the right to construct access roads from Monrovia to the airport at Roberts Field on the Farmington River and the seaplane facilities at Fisherman Lake in the County of Grand Cape Mount; and

5. the above mentioned rights have been granted as of February 14, 1942 to become effective from that date and to remain in effect for the duration of the existing war and for a period not to exceed six months thereafter;

THEREFORE:

the undersigned to wit:

HARRY A. McBRIDE, Special Representative of the President of the United States of America, acting on behalf of the Government of the United States; and

CLARENCE L. SIMPSON, Secretary of State of the Republic of Liberia, acting on behalf of the Government of Liberia, have agreed as follows:

ARTICLE 1

The grants of rights specified above shall also include the right to improve and deepen channels, to construct connecting roads, communication services, fortifications, repair and storage facilities and housing for personnel, and generally the right to do any and all things necessary to insure the efficient operation, maintenance and protection of such defense facilities as may be established;

ARTICLE 2

The Republic of Liberia retains sovereignty over all such airports, fortifications and other defense areas as may be established under the

rights above granted. The Government of the United States during the life of this Agreement shall have exclusive jurisdiction over such airports and defense areas in Liberia and over the military and civilian personnel of the Government of the United States and their families within the airports, fortifications and other defense areas, as well as over all other persons within such areas except Liberian citizens.

It is understood, however, that the Government of the United States may turn over to Liberian authorities for trial and punishment any person committing an offense in such defense areas. And the Liberian authorities may turn over to the United States authorities for trial and punishment any of the United States military or civilian personnel and their families who may commit offenses outside such defense areas. The Liberian authorities and the United States authorities will take adequate measures to insure the prosecution and punishment of cases of conviction of all such offenders, it being understood that the relevant evidence shall be furnished reciprocally to the two authorities.

ARTICLE 3

It is agreed that the Government of the United States shall have the right to establish and maintain postal facilities and commissary stores to be used solely by the military and civilian personnel of the United States Government and their families stationed in Liberia in connection with this Agreement and with service in aid in the defense of Liberia as the Government of the United States may furnish.

ARTICLE 4

All materials, supplies and equipment for construction, use and operation of said airports of the United States Government and for personal needs of the military and civilian personnel and their families, shall be permitted entry into Liberia free of customs duties, excises, taxes, or any other charges, and the said personnel and their families shall also be exempt from all forms of taxes, assessments and other levies by the Liberian Government and authorities, including exemption from Liberian reg-

ons pertaining to passports, visas and residence permits.

The Government of the United States undertakes to respect all legitimate interests of Liberia and of Liberian citizens, as well as all the laws, regulations and customs relating to the native population and the internal administration of Liberia. In exercising the rights derived from this Agreement, the Government of the United States undertakes to give sympathetic consideration to all representations made by the Liberian authorities with respect to the welfare of the inhabitants of Liberia.

In respect of the commercial use of such airports, passengers, mail and cargo entering or leaving Liberia by air shall have transit over such airports to and from a Liberian customs station established adjacent to said airports and under the exclusive jurisdiction of the Government of Liberia.

ARTICLE 5

The Government of the United States undertakes to extend to the Government of Liberia such aid as may be possible in the circumstances for the protection of the Republic, including necessary equipment for road construction, certain monetary aids for defense purposes, certain assistance in the organization and training of the Liberian military forces and certain other assistance of a similar nature.

ARTICLE 6

The Government of the United States undertakes, at the end of the war and the additional period provided in Paragraph 5 of the Preamble to this Agreement, to withdraw all military forces of the United States. It is mutually understood and agreed that the jurisdiction hereby conferred on the Government of the United States over any airports and defense areas, and over military and civilian personnel under the provisions of Article 2 of this Agreement, shall continue until all matters calling for official determination, but undisposed of after the termination of this Agreement, shall have been disposed of by the United States authorities, or, alternately, until the withdrawal of the United States forces shall be complete.

ARTICLE 7

The Government of Liberia and the Government of the United States agree that at this time the above Agreement shall apply to the air facilities at Roberts Field on the Farmington River, and at Fisherman Lake in the County of Grand Cape Mount. If other defense areas of this kind are deemed necessary in the future, their location will be fixed by mutual agreement.

ARTICLE 8

For the purposes of this Agreement, a Defense Area shall be construed as the actual areas of said airports and such additional areas in the immediate neighborhood upon which installations necessary for defense may be established by agreement between the United States Commanding Officer and the Liberian Government.

Signed, at Monrovia, Liberia, in duplicate, the texts having equal force, this 31st day of March, 1942

HARRY A. McBRIDE

*Special Representative of the President
of the United States of America*

C. L. SIMPSON

*Secretary of State of the Republic
of Liberia*

MESSAGE SERVICE FOR UNITED STATES EXPEDITIONARY FORCES IN NEW ZEALAND

[Released to the press December 5]

The Governments of the United States and New Zealand are pleased to announce that, in collaboration with the various cable, radio, and telegraph authorities concerned, arrangements have been made for the introduction on December 7 of the Standard-Text Expeditionary Force Message Concession Rate Service between the United States and New Zealand. The Expeditionary Force Message Service, which is available for telegrams to or from members of the United States forces in New Zealand, will until December 27 be confined to 1 only of 6 texts of a seasonal-greetings nature, but thereafter the

sender will have the choice of 1, 2, or 3 standard texts selected from a list of 189 prearranged texts. The charge per message will be 60 cents from the United States and 2s. 6d. local cur-

rency from New Zealand. These messages may be routed for transmission either by cable or radio. Further particulars are obtainable at any telegraph, radio, or cable office.

General

SUMMARY OF REPORT OF THE BOARD OF APPEALS ON VISA CASES

[Released to the press by the White House November 29]

A summary of the first report of the Board of Appeals on Visa Cases received by the President follows.

Robert J. Bulkley, former Senator from Ohio, and Frederick P. Keppel, former President of the Carnegie Corporation, were appointed to the Board of Appeals on Visa Cases on December 3, 1941 by the President on the joint recommendation of the Secretary of State and the Attorney General; later, Dean F. D. G. Ribble of the University of Virginia Law School was added as an alternate member of the Board.

The purpose of the appointment was "to supplement the function of investigation already efficiently conducted by the representatives of the State Department, the Army and Navy Intelligence, the Federal Bureau of Investigation, and the Immigration Service by an independent agency evaluative rather than investigative in character".

Since January first, when the present procedure was established, the Primary Committees, made up from the representatives mentioned, have cleared 2,951 applications. The Review Committees, similarly composed, which hold hearings on cases not favorably acted upon by the Primary Committees, have favorably recommended 1,782. The Board of Appeals has thus far recommended 1,283 applications in cases passed on adversely by the Review Committees and also has confirmed 736 recommendations for the issuance of visas to alien enemies, concurring with the favorable recommendations of the Review Committees. The present disturbed conditions throughout the world and the care exercised in the elimination of persons who

might be harmful to the national welfare have combined to reduce the total number of admissions to less than one tenth of the admissions in a normal pre-war year.

The Committees and the Board are concerned first with the fundamental question as to whether the applicant may receive his visa with safety to the United States, and are agreed that only when adequate assurance of safety appears can weight be given to the second fundamental question—that of benefit. Their sympathies are daily aroused by records of suffering and distress, but sympathies must be held in control until safety and benefit are determined. The presidential proclamations prescribe a finding of benefit to the United States in the granting of visas to enemy aliens. An early finding of benefit by the Board found such benefit in maintaining the traditional American policy of providing a haven of refuge for decent people who are in distress and peril. Affirmative benefit has been found in the admission of doctors, dentists, nurses, and other professionally trained people and of those with technical and industrial skills useful in the war effort. Indirectly, the effect upon civilian and military morale within the United States is also considered, it being believed that a favorable decision, when it may safely be made, will enhance morale and that an unfavorable decision will tend to lower it not only among the relatives and friends of the applicants but throughout a larger group of the same race and background now in the United States, many of them in the armed forces.

The 6,152 applications thus far examined by the Board involve more than twice as many individuals. Of these more than one fourth

are now in the United States, 1 in 6 of them legally. A tenth are or were in Cuba; about many, elsewhere in the Western Hemisphere. Overseas nearly two fifths of the total are in detention camps; the remainder are in England, Switzerland, or more widely scattered. Birth statistics contrast sharply with those of present residence. More than two fifths of all applicants had already moved from one country to another even before the days of organized persecution or armed invasion. Thirty-one percent are German-born, 27 percent Poles, 12 percent Austrian, 6 percent each from Hungary, France, and Russia; a somewhat slighter proportion from Spain; the remainder are widely scattered. Only 1 application has come from a person of Japanese birth.

The most serious difficulty in the procedure is the frequent absence of information regarding the applicant adequate to justify the granting of a visa under war conditions. Even close relatives in this country have in many instances not seen the applicant for years, and other sponsors can furnish information only at second hand. It is a painful duty to refuse admission to people who appear to be decent and deserving, and with devoted sponsors, and to do so solely because of the absence of information adequate to furnish the basis of an informed judgment.

The report discusses the delay in the clearing cases, pointing out the presence of unavoidable factors under war conditions, and intimates that plans are under way for expediting the procedure wherever possible.

The hostage problem is fully discussed and the difficulties frequently involved in determining whether or not an applicant is an enemy alien.

The report closes with the statement to the effect that the procedure may have a significance far beyond the safety and happiness of the individuals concerned. Many persons have been granted visas who by their knowledge and ability in science and the learned professions by their skill as artisans and mechanics will contribute directly to the well-being of the nation. Others are courageous men who in

their own lands have led in the democratic opposition to the Nazis and whose admission to the United States is an evidence of confidence in and a source of encouragement to forces of democracy still working in occupied territories. Many others are persons without distinction, often very humble people, who have suffered grievously under the Nazi tyranny. Ideals of fair treatment of all decent people who are oppressed and who seek such treatment at our hands have been forcefully expressed in the declaration of the four freedoms and in the Atlantic Charter. Acts of the United States in giving relief to deserving people, the victims of tyranny, furnish present proof by deed of the good faith of these verbal declarations. They exhibit the United States before the whole world as having the strength and courage to stand firm in the common cause of humanity even in stress of war.

EXPORT PRICE OF AUSTRALIAN AND NEW ZEALAND WOOL

[Released to the press December 3]

The Department of State and the Board of Economic Warfare have been informed that on December 3 the United Kingdom Wool Control will announce a reduction in the export issue price of Australian and New Zealand wool. This will establish prices at 6½ percent below the current quotations. It is understood that the Wool Control does not intend to change these prices again during the wool-year ending June 30, 1943.

NATIONAL HOLIDAY OF ICELAND

[Released to the press December 4]

The following telegrams have been exchanged between the President of the United States of America and the Regent of Iceland on the occasion of the national holiday of Iceland:

THE WHITE HOUSE, December 1, 1942.

I am happy on this memorable anniversary of Iceland to extend to you my personal felicitations and to express to the people of Iceland

the cordial greetings and best wishes of the people of the United States.

FRANKLIN D ROOSEVELT

REYKJAVIK, December 1, 1942.

I thank you heartily for your personal felicitations and your cordial greetings and good wishes to the people of Iceland on our anniversary today. Your telegram together with Mrs. Roosevelt's broadcast and the various other expressions of sympathy from the United States today have touched me deeply. Our feelings for the American people are more cordial and sincere now than at any time before in the history. I am very pleased to express the same cordial greetings and wishes to you and the people of the United States from the people of Iceland.

SVEINN BJÖRNSSON

The Near East

AMERICAN FINANCIAL MISSION TO IRAN

[Released to the press November 30]

The Government of Iran is engaging in the United States an American financial mission to assist in the reorganization and administration of the Iranian national finances. Dr. Arthur C. Millspaugh has been appointed to head the mission, with the title of Administrator General of Finances, and is now engaged in selecting a group of eight assistants. He expects to depart for Iran as soon as the membership of the group has been completed.

The work of the mission will cover virtually all fields of Iranian governmental finance. In addition to Dr. Millspaugh the mission will include experts in the following lines: Taxation; accounting, budgetary control, and auditing; customs, tariffs, and trade; general economic matters; general financial matters.

Dr. Millspaugh headed a similar mission to Iran during the period 1922-27. In 1911 an American financial mission under Mr. W. Morgan Shuster spent several months in Iran.

American Republics

VISIT TO THE UNITED STATES OF THE GUATEMALAN FOREIGN MINISTER

His Excellency Dr. Carlos Salazar, Minister of Foreign Affairs of Guatemala, arrived in Washington November 30, where he was received by an official reception committee. While here Dr. Salazar will discuss problems of mutual interest to the Governments of Guatemala and the United States. His program will include a luncheon to be given in his honor by the Secretary of State and a dinner to be given by the Under Secretary of State; a special session of the Governing Board of the Pan American Union; and a reception to be held by the Minister of Guatemala at the Pan American Union.

Cultural Relations

VISITS TO THE UNITED STATES OF MEXICAN EDUCATOR AND VENEZUELAN JOURNALIST

[Released to the press November 30]

Señor Juan Oropesa, distinguished Venezuelan journalist of the staff of *Ahora*, one of the leading daily newspapers of Caracas, arrived in the United States on November 28, as a guest of the Department of State. Señor Oropesa plans to spend most of his time in Washington. Arrangements are being made for him to attend press conferences at the White House, the Department of State, and the press gallery at the Capitol. Visits to leading universities in this country are also on his itinerary, as he has

commissioned by his Government to study university organization in the United States.

[Released to the press December 3]

Señor Julio Jiménez Rueda, Director of the Faculty of Philosophy and Letters of the National University of Mexico and a distinguished lawyer and writer, arrived in Washington December 2, at the invitation of the Department of State.

Señor Jiménez Rueda will attend the annual convention of the Modern Language Association in New York, confer with leading men of letters in New England, and visit universities in North Carolina, Virginia, and the South.

The Department

THE OFFICE OF FOREIGN TERRITORIES

[Released to the press December 2]

the problems involved in dealing with all military matters arising as a result of any military occupation of foreign territories by American forces have been receiving the close attention of the President and the Secretary of State. As a result of these deliberations there has been established in the Department of State the Office of Foreign Territories¹ to implement the pertinent policies of the United States Government in harmony with the Atlantic Charter and the Declaration by United Nations. The Secretary of State has been authorized by the President to draw upon the services of officials of the United States Government particularly qualified to assist him in carrying on these functions. By agreement between the Secretary of State and the Secretary of Agriculture Mr. Paul Appleby has been temporarily loaned to the Department of State to serve as Special Assistant to Secretary Hull. Mr. Appleby's many

BULLETIN of Nov. 28, 1942, p. 971.

years of experience in all phases of the work of the Department of Agriculture and the many contacts which he has had with related departments and agencies of the Government render him particularly qualified to assist in the inauguration of the Office of Foreign Territories.

It will be recalled that on November 21 it was announced by the White House that Governor Herbert Lehman of New York would become associated with the Department of State as Director of Foreign Relief and Rehabilitation Operations. There will of necessity be close collaboration between the functions of Governor Lehman and the functions of the Office of Foreign Territories.

RETIREMENT OF PERCY F. ALLEN

[Released to the press December 3]

Mr. Percy F. Allen, an employee of the Department of State for the past 36 years, retired from the Federal service at the close of business December 3, 1942. Mr. Allen, who was appointed in the Department on July 3, 1906, was Assistant Director of Personnel and Chief of the Recruiting and Selection Section of the Division of Departmental Personnel at the time of his retirement.

In addition to his duties as principal recruiting and placement officer Mr. Allen acted as custodian of the Seal of the United States and himself affixed the Seal to some hundreds of presidential commissions and other state papers. He has also administered the oath of office to a great majority of the officers and clerks now in the Department of State.

In many instances Mr. Allen was the first to greet an employee coming into the Department and the last to say good-by to one who was leaving. He took a personal and sympathetic interest in each employee and had a unique knowledge of the organization and personnel of the Department.

Mr. Hull has sent to Mr. Allen the following letter of appreciation:

DEAR MR. ALLEN:

On this your last day in the Department I wish to express to you my regret at your departure and at the same time my sincerest hope that your period of rest and relaxation after your thirty-six years of Departmental service may be a long and a pleasant one.

You have loyally and faithfully discharged your important duties and responsibilities and I share the satisfaction of your many friends at your splendid record of public service. In

your work as the Department's recruiting officer you have always maintained the highest standards, making possible the obtaining of unusually competent personnel and this has been of the greatest benefit in the efficient and orderly operations of the Department.

On behalf of your colleagues I extend to you and to Mrs. Allen our warmest wishes for your happiness.

Sincerely,

CORDELL HULL

Publications

VOLUME X OF "THE TERRITORIAL PAPERS OF THE UNITED STATES"

[Released to the press December 4]

The Department of State announced the publication of volume X of the series entitled *The Territorial Papers of the United States*, prepared in the Department pursuant to the act of Congress of March 3, 1925, as amended. Volume X, covering the years 1805-20, is the first of a group of three volumes of official letters and papers, found in the archives in Washington, concerning Michigan Territory. Most of them have never before been printed.

These documents are a revelation of democracy in action. They show that the pioneers who settled the territory were zealous to maintain what one of them eloquently called "that infinite extension of liberty" which the territory provided. These pioneers naturally put into practice the principles of free enterprise, but in the midst of the wilderness they followed the recognized legal procedures with admirable determination and vision. The Indian, with tomahawk in hand, was a familiar sight to the pioneers, yet the judge upon the Michigan bench calmly and learnedly charged the juries with their duty under law. When the settlers of Michigan Territory acquired Indian lands by treaty with accredited representatives of the Indians, yearly annuities were paid by the Federal Government to the Indians for that land. The settlers were not unappreciative of their

democratic environment. A French inhabitant of Michigan Territory wrote to President Jefferson and referred to the honor of breathing "the pure air of American liberty".

That the people in Michigan Territory had a strong voice in their government is shown by the signed petitions in this volume. The farmers of the frontier petitioned Congress respecting their needs, and the response was legislation. These old petitions from the "wilderness country" illuminate the course of national legislation. They also serve as censuses of the inhabitants.

Surprisingly modern and democratic efforts to improve social conditions by agricultural education and by wise relief of a people made poor by war are illustrated in the original letters of Governor Cass of Michigan Territory and other statesmen of the period. The plan of Fath Richard, of Detroit, later Territorial Delegate to Congress, for the education of Indian children for a time drew Federal subsidy.

Other documents in the volume relate to the quarrel between Michigan and Ohio over the boundary; the systematization of the survey of public lands (the first copy in existence of a contract to survey United States lands is printed here); the trials and deficits of the Post Office Department in running a mail service through the wilderness; the long labor of assisting illi-

rate owners in establishing the bases of their claims to land; and the question of the ownership of natural resources, such as copper and timber. Implicit on every page are the sense of government not of men but of law and the recognition of human rights.

Nine other volumes of *Territorial Papers* have already been published. The most recent of these (volume IX) was on Orleans Territory, or present-day Louisiana. Volumes VII and VIII concerned Indiana Territory. Volumes V and VI were on Mississippi Territory. Volume IV embodied the official records of the Territory northwest of the Ohio, which later became the state of Tennessee. Volumes II and III contained the papers of the Northwest Territory. Volume I of the series was issued in preliminary form as a pamphlet; when the series is concluded, volume I will be enlarged to include papers of a general character pertaining to all the territories of the United States.

Volumes XI and XII, completing the group on Michigan Territory, will be issued during the coming months. A considerable portion of volumes XIII, XIV, and XV on Louisiana, Missouri Territory and on Illinois Territory are ready in type.

Dr. Clarence E. Carter, of the Division of Research and Publication in the Department of State, is the editor of the series of *Territorial Papers*. Volume X of the series will be available shortly from the Superintendent of Documents, Government Printing Office, Washington, D.C., for \$2 a copy.

During the week of November 30-December 1 the Department of State also released the following publication:

Foreign Service List, October 1, 1942. Publication 1830. iv, 115 pp. Subscription, 50¢ a year; single copy, 15¢.

Recent publications of other Government agencies that may interest readers of the BULLETIN are:

Annual Report of the American Historical Association for the Year 1937. (In three volumes.) Vol. II—Writings on American History, 1937 and 1938: A Bibliography of Books and Articles on United States

History Published During the Years 1937 and 1938, by Grace Gardner Griffin, Dorothy M. Louraine, Margaret K. Patterson. H. Doc. 381, Pt. 2, 75th Cong., 2d sess. xxxvi, 869 p. Free.

Foreign Trade of United States in Agricultural Products by Commodity and by Country, 1935-36 to 1940-41. (Foreign Agricultural Relations Office, Department of Agriculture.) 58 pp. Processed. Free.

Industries, Products, and Transportation in Our Neighbor Republics: Index and Bibliography. (Office of Education, Federal Security Agency, prepared in cooperation with Office of Coordinator of Inter-American Affairs.) [Education] Bulletin 1942, no. 6. iv, 39 pp., illus. 10¢ (paper).

Legal Codes of Latin American Republics. (Law Library of the Library of Congress.) Latin American Series No. 1. [In English, Spanish, and Portuguese.] 95 pp. 75¢ (cloth).

Martinique: A Selected List of References, compiled by Linn R. Blanchard. (Library of Congress, Reference Department.) Processed. v, 57 pp. Free.

Reference Information Circulars 6-9 (The National Archives):

6. Materials in National Archives Relating to Alaska. 10 pp. Processed. Free.

7. Materials in National Archives Relating to Caribbean Region. 10 pp. Processed. Free.

8. Materials in National Archives Relating to Brazil. 6 pp. Processed. Free.

9. Materials in National Archives Relating to Countries on West Coast of South America. 8 pp. Processed. Free.

Training of British Flying Students in the United States: Opinion of the Attorney General of the United States. May 23, 1941. [Vol. 40, Op. No. 55.] 6 pp. 5¢.

Legislation

Christoffer Hannevig [favorable report by Committee on Claims, on bill to confer jurisdiction upon the United States Court of Claims to determine and render judgment upon the claim of Christoffer Hannevig of Norway; this legislation is intended to be an effective substitute for the convention between the United States and Norway concerning the claims in this case, which the Senate returned without advice and consent to ratification September 26, 1940 owing to the war]. H. Rept. 2693, 77th Cong., on H. R. 6265. 35 pp.

Participation by the United States in the Emergency Advisory Committee for Political Defense: Message from the President of the United States transmitting a recommendation from the Secretary of State with regard to legislation to provide for the participation

by the United States in the Emergency Advisory Committee for Political Defense, and authorizing an appropriation therefor. H. Doc. 893, 77th Cong. 4 pp.

Annual Expense of Inter-American Financial and Economic Advisory Committee: Message from the President of the United States transmitting a report from the Secretary of State requesting the passage of legislation authorizing the appropriation of such sums as may be necessary to pay the proportionate share of the United States in the annual expenses of the Inter-American Financial and Economic Advisory Committee. H. Doc. 894, 77th Cong. 10 pp.

Suspension of Tariff and Immigration Laws (Free Movement of Persons, Property, and Information): Hearings Before the Committee on Ways and Means, House of Representatives, 77th Cong., 2d sess., on H.R. 7762, a bill to facilitate, to the extent required for the effective prosecution of the war, the free movement of persons, property, and information into and out of the United States. Revised. November 18, 1942. [Statement of Assistant Secretary Long, pp. 51-52.] 65 pp.

Treaty Information

COMMERCE

Trade Agreement With Uruguay

[Released to the press December 3]

On December 3, 1942 the President issued a supplementary proclamation relating to the entry into force of the trade agreement between the United States and Uruguay, signed at Montevideo on July 21, 1942, which was proclaimed by the President on November 10, 1942. Article XVII of the agreement provides that it shall enter into force 30 days following the exchange of the President's proclamation and the instrument of ratification of the Government of Uruguay.

The supplementary proclamation recites that this exchange took place at Washington on December 2, 1942 and proclaims that the agreement will enter into force on January 1, 1943.

The text of this agreement and the texts of the related notes will be printed shortly in the Executive Agreement Series. An analysis of the general provisions and reciprocal benefits of the agreement appeared in the BULLETIN, Supplement of July 25, 1942, vol. VII, no. 16. The notice of the President's proclamation of the agreement appeared in the BULLETIN of November 14, 1942, p. 929.

TELECOMMUNICATIONS

Arrangement With New Zealand

A statement regarding the arrangement between the United States and New Zealand for the establishment of the Expeditionary Force Message Service for telegrams to or from members of the United States forces in New Zealand appears in this BULLETIN under the heading "The War".

DEFENSE AID

Agreement With Liberia

A statement regarding the agreement between the United States and Liberia by which the Government of Liberia has granted to the Government of the United States for the duration of the war the right to construct, control, operate and defend airports in Liberia and to assist in the protection and defense of any part of the Republic which might be liable to attack during the present emergency, appears in this BULLETIN under the heading "The War".

ECONOMICS

Agreement With Canada

A statement regarding an agreement setting forth the principles which will guide the Governments of the United States and Canada in approaching the problem of post-war economic settlements, appears in this BULLETIN under the heading "The War".

U. S. GOVERNMENT PRINTING OFFICE: 1942

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THE DEPARTMENT OF STATE BULLETIN

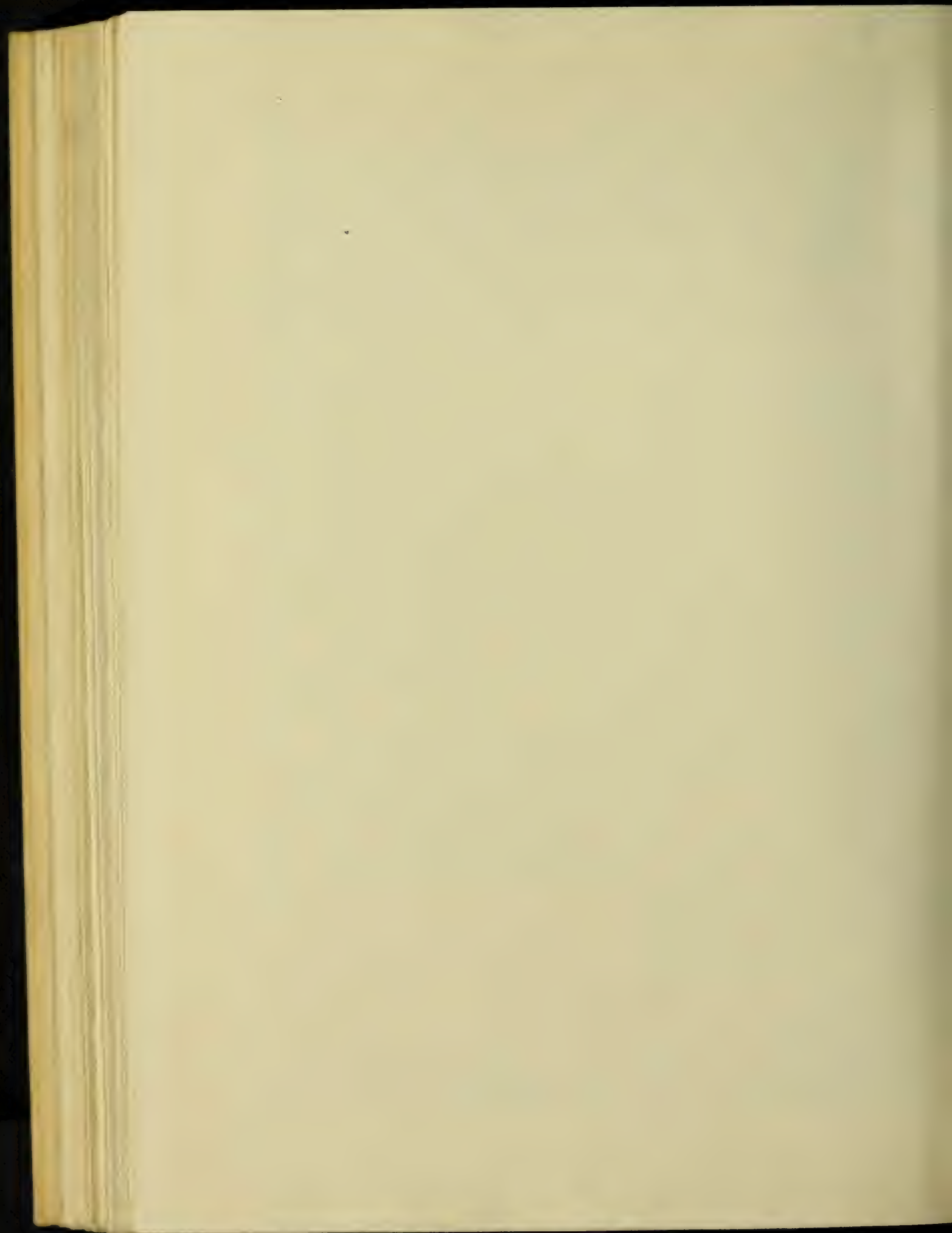
DECEMBER 12, 1942

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The War

ADDRESS BY THE UNDER SECRETARY OF STATE AT THE DEDICATION OF THE SARA DELANO ROOSEVELT MEMORIAL¹

Released to the press December 6]

We are meeting this evening in St. Paul's Church at Eastchester, New York, to pay tribute to the memory of Sara Delano Roosevelt, the great mother of a great son.

By the erection of this memorial to Mrs. Roosevelt generations still to come will remember that it was largely due to her devoted interest and assistance that there was made possible the restoration of this historic church—the shrine to the Bill of Rights—a sanctuary that has always since 1733 been identified in the minds of the people of the United States with that great right later established in our Constitution: the freedom of the press.

For nine years Mrs. Roosevelt was the chairman of the restoration committee which at length succeeded in the task of renewing this old memorial of our colonial days so that it now stands once again in its original beauty. In that task Mrs. Roosevelt gave of herself generously and untiringly as she did in so many countless ways and for so many worthy causes throughout the years of her life.

Mrs. Roosevelt was the life-long friend of one of us gathered here. And I think we feel her gracious presence very near to us as we meet in this old church that was so close to her heart. One of us who had the privilege of her friendship can ever fail to be grateful for it. For no one more loyal, no more devoted and unselfish friend could any man or woman have. Her trans-

parent integrity of soul and mind, her radiant goodness, her charm of personality, and, above all else perhaps, her love for her fellow men have engraved her image deep in the hearts of all of us. That image will not grow dim.

We are gathered together in these dedication ceremonies on the eve of the first anniversary of that treacherous attack upon the United States which involved our people in this great World War which has engulfed all the continents of the earth.

It is a solemn moment as we think back over the crowded history of these past 12 months, during which our united people and their Government have made the supreme effort to preserve the freedom with which this land of ours has been blessed and to turn the tides of battle toward the ultimate victory of the great cause which we uphold: the cause of human liberty.

We think back to those first difficult months when we had to achieve the readjustment of our national life in all its phases so as to insure an all-out war effort, and of the months thereafter when the long and difficult task of translating military and naval plans into accomplishment had to be realized. Now at the end of this 12-month period the strategy which our Government has been devising has become clear. The successes of our military and naval forces and of those of the peoples who are fighting at our side have instilled in us new hope and renewed conviction. It may well be, however, that a dark and anxious time may yet have to be traversed before the ultimate victory, which we know we will attain, is won. Until that time,

Delivered by the Honorable Sumner Welles at St. Paul's Church, Eastchester, Mount Vernon, N.Y., Dec. 6, 1942, and broadcast over the facilities of the National Broadcasting Company.

the efforts, the devotion, and the sacrifices of every one of us must be consecrated to the supreme task of winning the war.

But there are many of us today who are thinking back further than the anniversary of Pearl Harbor. They are thinking back over the past quarter of a century and are asking themselves whether this shattering world upheaval in which all mankind is engaged was in fact inevitable.

They are asking themselves: If, at the conclusion of the last World War, the Government of the United States, in association with the other governments of free peoples, had sought the ideal which Woodrow Wilson once held up before the eyes of the people of this country—"a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free"—would this tragedy have come to pass?

The foreign policy of any nation must inevitably be a policy of self-interest. The foreign policy of the United States should ever be a policy based upon that course and upon those principles which, in the judgment of the American people themselves, will most clearly further the individual interest of their country and the general welfare of the people of the United States.

And I think a question that we can well afford to ask ourselves on the eve of the anniversary of our entrance into the present war is whether the policy pursued by the people of the United States during the years subsequent to the end of the last World War has proved in any sense to be to the interest or to the individual advantage of the American people. During that period we refused to assume the slightest measure of responsibility for the maintenance of world order. During the greater portion of that period we divorced ourselves from almost every form of cooperation with other powers, and as a people and as a government we stood aside while the forces which resulted in Hitlerism and all that which Hitlerism implies were shaping themselves. We stood aside, pre-

tending to ourselves that the United States could keep itself secure and free from danger even if all the rest of the world went up in flames.

From the standpoint of narrow and selfish self-interest alone, there are two straight questions which we might well ask ourselves.

The cost of our participation in the war as of our military and naval production will burden the United States with a staggering national debt which must be paid by the taxpayers of this country. To win this struggle we are necessarily diverting the greater portion of our tremendous productive capacity into channels of destruction, not those of construction, and the debt burden which will have been created will inevitably affect the manner of life of every one of us and will inevitably diminish the opportunity for the progressive advancement of the generation to come.

Would we not as a people have been better advised if we had been willing 20 years ago to join with the other free peoples of the earth in promoting an international order which would have maintained the peace of the world and which could have prevented the rise of the conditions which have resulted in the total war of today? Is it conceivable that the material sacrifices which we might have been called upon to undertake to maintain world order in the earlier years could have involved a thousandth part of the material sacrifices which we are called upon today to undertake?

And the second question we may well ask ourselves is a question which hits straight at every family in the United States which has a father or a son, or a brother serving this country today in the armed forces of the United States. Had the American people been willing a generation ago to bear their fair share of responsibility for the maintenance of world order, would our men today be forced to offer up their lives in order that they may insure the preservation of the independence and the security of their fellow citizens?

Already we hear again the voices of those who decry all forms of practical international

operation. Already we can see the efforts of those who would make this fundamental issue, the issue of our national future, a question of party politics. Already we can once more follow the machinations of those special-privilege interests which would again turn the policy of the United States into one of narrow isolation because of their belief that they themselves could profit through such a course.

Surely this is a question which transcends the bounds of any aspect of party and any claim of material advantage by a special few.

Today we are fighting this war in the closest collaboration with the governments joined with us. Our military operations, so successfully carried out recently on different fronts, have required effective cooperation and understanding with our allies. The very conduct of the war makes it indispensable that this form of agreement as to the strategy of our military and naval undertakings be continued by all the governments of the United Nations. Our own security depends upon it.

We realize now that in this war this form of association of free peoples, struggling to preserve their liberty, is vitally necessary for the safety of our nation.

Do we realize that an association of the free peoples of the United Nations when the war is won is just as essential to the future security of this country?

Surely we must assure ourselves when we achieve the victory for which we are fighting that this free people of ours, joined with the other free peoples who are fighting at our side, will see to it that the necessary measures of international cooperation are undertaken so that this catastrophe will not occur again.

In this shrine dedicated to the freedoms which we, the American people, by an inalienable right enjoy, we may well dedicate ourselves to the supreme task of the creation in the future of a world in which all peoples may in truth be free—free from the fear of war and assured of the right to live out their lives in safety and in peace.

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN¹

Released to the press December 9]

There are many things which I would like to talk over with you today on the occasion of the beginning of our second year of war with Japan and the Axis powers. You are familiar with the serious record of military events that have taken place on every front in which our armies and navies are engaged. There is nothing I could bring you in the way of military information that would add to your recognition that our very lives and our civilization are at stake. However, I hope that out of my own long experience in the Far East I may be able to add to your knowledge and understanding of the character and full meaning of the war in the Pacific.

Delivered by the Honorable Joseph C. Grew at the Illinois Manufacturers' Association dinner, Chicago, Dec. 8, 1942.

Our minds and memories tend to go back to the incident of Japan's attack at Pearl Harbor last December. I say "incident", because it was only one event in the long-range warfare that the political and military miners and sappers and blasters are waging against human freedom. I do not mean to minimize the attack on Hawaii. It shocked us into the recognition that we were one of the victims of the Japanese advance. We who had deluded ourselves with the comforting belief in our geographical and political isolation, who had cushioned our fears with bland confidence in our natural wealth and industrial strength—we were forced by bombs and torpedoes to construct a more realistic hypothesis about our interrelationship with the peoples of the eastern world.

Americans were slow to change. Yet our own past had the most convincing example in all

history that withdrawal into the shell of one continent was impossible. I refer to the time when President Jefferson tried with all sagacity and might to close America to European entanglements and war. Even in that vast world which had not learned to minimize distance, which operated with the crudest communications and undeveloped technology, this attempt at isolation failed. Other similar attempts, from that time to this, were made; and they furnish the repeated proof that the life line of our nation and our continent reaches far and wide, to the defense of free institutions everywhere.

Those who wished so hard to remain aloof from the titanic struggle raging in Asia were prone to read their wishes into events. For many different reasons Americans here on the mainland, 5,000 miles by shortest route from Japan, misjudged the nature of Japan's aggression. Some of us were led astray by listening to the promptings of supposed self-interest. Most Americans lacked vision about Asia simply because they could not imagine that there was any need, as they phrased it, for "political interference in the affairs of Asia". They paid respect to democratic ways and values, but they still had to learn that political evil anywhere, no matter how far from their own shores, can and does impinge upon our indispensable rights.

Freedom has ever exacted a heavy price from those who have chosen to defend it. We can never repay those men who in the past year have spent their lives to protect our common interests, nor those who fought to live and fight again. Millions more are preparing now to join them, to continue the brave history epitomized at Wake and Midway, on Bataan and Corregidor, in the Coral Sea and the Solomons, and in other parts of the world. We would fail in our greatest obligation to these men should we ignore the full purport of their struggle. For those men and we ourselves are engaged in fighting something infinitely more dangerous than a military machine. We are faced with a restless, devouring militarism which has grown to such proportions that nothing short of complete extermination of the system can remove its per-

petual menace to free peoples. The reason that I today mention some of our past misjudgment is to prevent in the future so self-centered concept of our own freedom that we underestimate the enemy and overestimate our moral and physical security. And if we are concerned to evaluate the enemy and the system that he is attempting to force upon the world, we require knowledge not only of his strength but of his methods and of their consequences.

Japan has called this system the "New Order in Asia". But we are not fooled by phrases of peace which are intended to conceal, like a coating of camouflage paint, the machinery of war and conquest. What Japan proposes for Asia, and as she now admits for the whole world, is new in only a very curious sense. In fact, it is as old as any rule of brute force which spreads havoc for its victims inside its borders and abroad. It is new only in the sense that it has once more returned, with revived despotisms, to undermine our modern civilization.

In what begins to look like the sober year 1940, Admiral Sankachi Takahashi made known the boundaries of the "Greater East Asian Order". He said: "It begins with Manchukuo in the north and extends to Australia in the south. In the east it ends at 180 degrees longitude—and extends west to the Bay of Bengal and Burma." Admiral Takahashi was patient enough to explain that the new order would be constructed in several stages. The first modest stage would be Japan's demand for (I now quote) "Manchukuo, China; India, China, Burma, the Straits Settlements, the Dutch East Indies, New Caledonia, New Guinea, many islands in the West Pacific, Japan's mandated islands and the Philippines". The second stage would graciously extend Japanese empire further, to take in Australia and India. Apparently the Admiral was not, at the time, ready to admit everything. But later Prince Konoye said that Japan, with Germany and Italy, would jointly cooperate to create a new "world order". We are now convinced—and might add, without benefit of these enlightening explanations—that the greater the power

passed, the more rapid and sure will be Japan's military penetration into every land whose whet the chronic, predatory appetite of leaders. That is why we must discern with the pattern of penetration, invasion, and occupation established by totalitarian Japan.

Few of our countrymen realized the full gravity of the move when Japan invaded Manchuria in 1931 and gave ominous warning by her actions of what she meant that new order to

As solid token of her design to stay permanently in the new territory, Japan created the puppet state "Manchukuo". Let us check off, for the sake of mutual clarity, a few revealing facts about China's Manchurian provinces. I list the facts revealing because they are a mild but reliable foretaste of what Japan had ready in her wide kimono sleeves for the subjugation of all Asia. And, as we have seen, this was merely the preparation of her eventual drive on our own industrial and still free democratic world.

Manchuria, one of the richest areas in resources in Asia, blessed with a plentitude of coal and iron, forest reserves, fur-bearing animals, and agricultural products, particularly soybeans, is a land where its 42 million people are provided neither enough cloth nor furs to keep themselves clothed nor half enough coal to keep themselves warm, after standing in line for hours to get it. And Manchuria's winters are zero-cold. The Japanese Kwantung army, which had no scruples about blasting its way to control of Manchuria, kept tight reign through its police network over the whole government and life of these unhappy people. The peasants were forced to watch the political saps and miners, at work first in economic and political entrenchment, proceed under the protection of the bayonets of the Japanese military. They seized special economic concessions, further political and social privileges, more stolen land, more produce and profit. The farmers, suffering under the yoke of Japanese monopoly prices for their goods, learned the same dogged resistance which we know the agricultural workers of occupied Europe have shown toward their Nazi oppressors.

There is a story to be told some day, and it will be eloquent in every line and implication, about the South Manchuria Railway Company. That company was from the start the key to the systematic exploitation of Manchuria. When the Japanese seized Manchuria the company confiscated all Chinese railroad lines in the country. With well-planned thoroughness all public utilities were seized by the company and its affiliates. In 1937 after Japan, continuing the same methods, had pushed itself into China south of the Great Wall, the company had acquired 10,000 miles of railroad, not quite 1,000 of which it had obtained by legal means. Looking back today on the record of its spreading power we see the steady appropriation of mining, forestry, industrial plants, public transportation, and communications, with billions of yen profit rolling into Japanese coffers while the Chinese were strictly confined to menial jobs.

Let me point out that this campaign of appropriation and control not only was aimed at the native interests but was directed against American and all other foreign concerns. Perhaps more important than their seizure of American economic holdings was their campaign to eradicate every vestige of influence of the foreign schools and missionary centers, particularly those of the democratic countries, for in the spread of Christian and democratic ideas in Asia Japan realized that she faced one of her strongest antagonists.

The burden of taxation mounted, straining the populace beyond anything in their experience, taxation to pay for the cost of industrial development, agricultural expansion, and rearmament, all for the sake of Japan's war machine. Forced labor with almost starvation wages was the whip used by the militarists. Indeed, the people compare themselves to mules, worked by their masters from daybreak to nightfall with just enough food to keep them alive to work the next day.

This is but the more impersonal side of the oppression, this story of stolen "daily bread". More brutal techniques were needed to back up the Japanese malpractices, to break the will of the populace and demoralize them by fear, to

crush the hope of revolution and resistance. Let me give you one example: After five years of occupation some Manchurian volunteers were still fighting on country roads and mountainsides. The Kwantung army applied drastic measures. Again serving themselves with an innocent pretext, the alleged protection of the villages, the army marked off some 2,000 villages with barbed wire, and the residents, duly registered with the police, had no choice but to work the fields at the point of bayonet or gun. Anyone attempting to reach the villages from the outside without the proper certificate was shot on sight.

You have heard that "Manchukuo" is a state ruled by a puppet emperor. The truth is that the Japanese military with its bureau of special police is the actual ruler in "Manchukuo", as it is in Japan proper and in every territory which Japan has conquered.

Imagine what it would be like to have the most oppressive alien army and its secret police quartered upon your land, milking it of its resources and the fruits of your labor, censoring your news, writing your children's textbooks, denying your traditions, changing your names, spying on and tracking down your most private feelings and concerns—in short making a cruel mockery of your rights as human beings. And imagine that all this misery and oppression is only for the purpose of building a bridge to the next invasion so that the enemy can move in on your neighbors.

It would seem to us as though these methods of darkness and blood, brought down without pity upon the heads of innocent millions, were all that men could devise to degrade and torture the physical frame and spirit of fellow men. But there is one further practice which is as fundamental a part of the system of Japanese occupation and exploitation as is the taking over of banks and industries, shipping tons of wheat and rice away from under the hungry gaze of the men who harvested them, censoring the books and customs which might oppose the current Japanese ideology. I refer to the deliberate campaign to drug the people with narcotic drugs, a campaign attaining huge propor-

tions in Manchuria and in north, central, and south China. With cold design, the prices of these drugs are made so cheap that it might truly be said the Japanese are, in this one instance, giving them away. The poorest coolie can afford to supply himself with opium—either smoking it, eating it, sniffing it, or having it injected into the blood stream directly. The value of a pack of heroin cigarettes is weighed against the weakened morale, the broken resistance, the degraded body and will of the subject people. Opium-smoking troops lose their nerve in battle, and civilian addicts are the most tractable of all. The military handbook which is supplied to every Japanese soldier with his kit makes clear that this demoralizing tool is only for the vanquished, not for the victors. I quote it verbatim: "The use of narcotics is unworthy of a superior race like the Japanese. Only inferior decadent races like the Chinese, Europeans and East Indians are addicted to the use of narcotics. This is why they are destined to become our servants and eventually to disappear."

I am conscious that I cannot expect the scattered remarks to give you the complete image of conditions under Japanese rule, but they are authentic signposts of what that rule is like. Since Manchuria, the same conditions have in essence been set up in one territory after the other which has fallen before the Japanese.

Consider the character of a military who with a ruthless plan of conquest drove it on from "Manchukuo" to China, Indochina, Thailand, the Dutch East Indies, Malaya, Burma, and the Philippines. And with each advance the Japanese militaristic heel has stamped the same pattern upon the vanquished which I have tried to picture for you.

Japan's inhuman drive to power is so alien to American thinking that it is only with great effort we see it as a reality. The material aspects have been made only too evident as Japan conquered the rich sources of supply: rubber, tin, oil, iron, manganese, and others so vital to the industrial world. But the total implications of Japan's aggression, an empire of such unprecedented size and scope, generating per-

ic tornadoes of power to hurl against the yet devoured world, that the cultivated imagination fails to grasp the concept and human reason struggles to accommodate its truth. I could give you comparisons of size and power I could; but I do not know anyone—no lighting calculator, no historian, nor scientific expert—who can tell us what the power-potential of the present Japanese Empire may in time prove to be. The plain facts are that Japan has increased her area twentyfold and the people under her control fourfold, that she has conquered the keys to a continent rich in indispensable resources, where half the people of the world live, and that she is feverishly busy day and night entrenching and consolidating those gains even in the midst of war.

This picture of our Far Eastern enemy and the methods that I have tried to give you tonight is a grim one, I know, and as we pause, not only today but every other day, to pay respect to the men who have been and are fighting on the seas and in the air and in the front-line trenches against this enemy, we also acknowledge with gratitude those other friendly powers who are fighting this same enemy.

As you know, China is in its sixth year of war with Japan. And although the enemy has seized and is utilizing China's principal industrial facilities and has effectively cut off her supply lines from the east the Chinese armies remain intact and China continues unconquered. And in the Philippines the world took inspiration and encouragement from the magnificent resistance offered by combined American and Filipino fighters. Almost in an instinctive way, free men realized that the hopes and sacred beliefs of democracy were being made more precious by the manner in which our boys and the Filipinos fought together against overwhelming odds.

Indeed, the Philippine Islands can, I often think, open our eyes to the measure of our real achievement in the past and of the untraversable gap between that totalitarian system I have been describing tonight and democracy. Japan held colonies as long as America the Philippines. Remember that Manchuria was not the

first Japanese experiment in that art of neighborly strangulation which we have observed at work where the Japanese enter from Harbin to Batavia. There was Formosa, taken as far back as 1895, and Korea, dragged into the "Empire" in 1910. Our own work in educating and encouraging the independence of the Philippines has long been the example of enlightened guidance. Korea under Japanese rule, on the other hand, has been a warning of the heart-breaking misery imposed systematically even under long-time Japanese rule.

Now that human lives are being spent and have been spent for one long year to insure our survival and the survival of our culture, we must be ready to answer why we were justified in asking our soldiers and sailors and airmen to protect us. Have we the fighting men in mind, with what approaches commensurate ruggedness of will? Are we able, as individuals and together, as a conscientious society of like-thinking democrats, to set forth the bedrock articles of belief and hope which stand in habitual opposition to societies based on contempt for men? Are we not really required to stand by the truth which Jefferson pronounced, that "the land belongs to the living", the living who are there upon the scene, entitled to use it and to organize their liberties as they through their leaders think best? The land and the yield of it belong to the people who work it, as the rulers and their administration take their direction and control from the people's needs. History will not be brushed aside. Democracies have made their histories, marked with some degree of fault but overwhelming in testimony that where the sentiments of freedom and responsibility are worked into the guiding principles of a state the general spread of opportunity, knowledge, and skill, and the fruits of these are greater.

The Japanese have often voiced pretended contempt and real fear of what they call American "liberalism". They fear the power of our ideas, of the importance of each human being to his loved ones, himself, and to the world of which he is a part. They know well the strength of every man's desire, deep-rooted and natural,

to live on the dignified assumption that his choices, within the limitations of social order and international peace, are his own to make and to experiment with as his own reason advises. They also fear the power of the idea that there are no masters, temporary or permanent, entitled to absolute rule over men. Free men's leaders are enriched by taking active counsel from their free electorates. This idea the Japanese enemy, as well as the European, fears. Equal law and democratic legislators; plentiful schools and varied churches; the open occasions for employing each man's personal ability; a civilian police engaged in protecting life and limb and the citizens' earthly goods; printing presses open for criticism and discussion; minds trained to welcome the challenge of intellectual opposition—these are the concrete institutions which show up the distortions of totalitarian conspiracy against equal rights. They are therefore part and parcel of what the Japanese Fascist knows to be his enemy.

We stand on the proven record of a history wherein there has been more of good than of bad, more of enlightened and enlightening tradition than appears in any other modern history. But we ask strength and courage, the kind we all know as "guts", and the kind which was once referred to as "the rock" of mental and moral spirit. With these we can work tirelessly to devise the mechanisms by which men will learn increasingly the art of self-government; and nations will learn the greater art of interchanging goods and services and the intangibles of civilized progress on the basis of mutual need and preference. With these no man need go hungry here at home and no land must again face hunger anywhere in the world. Let us devise the actualities for reaching this basic goal, and we may discover that despair having been banished from the hearts of men, much that seemed insoluble yesterday admits of decent adjustment tomorrow.

We are determined that once victory in the war has been achieved, as it assuredly will be achieved, this adjustment shall be brought about and shall endure.

CONTINUED RESISTANCE OF ALBANIA TO ITALIAN OCCUPATION

STATEMENT BY THE SECRETARY OF STATE

[Released to the press December 10]

The Government of the United States is not unmindful of the continued resistance of the Albanian people to the Italian forces of occupation. The effort of the various guerilla bands operating against the common enemy in Albania is admired and appreciated. The Government and people of the United States look forward to the day when effective military assistance can be given these brave men to drive the invader from their homes.

Consistent with its well-established policy not to recognize territorial conquest by force, the Government of the United States has never recognized the annexation of Albania by the Italian crown. The joint declaration of the President and the British Prime Minister, made on August 14, 1941, known as the "Atlantic Charter" provides as follows:

"Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them."

The restoration of a free Albania is inherent in that statement of principle.

APPOINTMENT OF THE PRESIDENT'S PERSONAL REPRESENTATIVE NEAR THE GOVERNMENT OF INDIA

[Released to the press by the White House December 11]

The President has appointed Mr. William Phillips, of Massachusetts, as his Personal Representative to serve near the Government of India. Mr. Phillips, who entered the Diplomatic Service of the United States in 1903, has rendered his Government long and distinguished service in the Far East, Europe, and Washington. He has served twice as Under Secretary of State and was American Ambassador

or in Rome until the outbreak of the war in Italy. In recognition of these services he will have the personal rank of Ambassador. Mr. Phillips, who is at present in London, is expected to proceed to New Delhi in the near future where he will assume charge of the American Mission which was established there in November 1941 by Mr. Thomas M. Wilson. Subsequently, Col. Louis Johnson served as the Personal Representative of the President at New Delhi.

LEND-LEASE AID TO ETHIOPIA

Released to the press by the White House December 10]

The President has addressed to E. R. Stettin, Jr., Lend-Lease Administrator, a letter the text of which follows:

For purposes of implementing the authority conferred upon you as Lend-Lease Administrator by Executive Order No. 8926, dated October 28, 1941, and in order to enable you to engage for Lend-Lease aid to the Government of Ethiopia, I hereby find that the defense of Ethiopia is vital to the defense of the United States."

EMERGENCY ADVISORY COMMITTEE FOR POLITICAL DEFENSE

The Secretary of State, in making a report to the President on December 1, 1942 to the end that legislation may be enacted by Congress to enable the United States to continue to participate in the work of the Emergency Advisory Committee for Political Defense for the duration of the war emergency or so long as the American republics may deem its activities essential to the welfare of the hemisphere, said, in part:

The Committee inaugurated its work at Montevideo on April 15, 1942, and has met reg-

ularly since that time. It is giving constant and detailed attention to a wide range of pertinent studies including the control of dangerous aliens, prevention of abuse of citizenship, regulation of transit across boundaries, and prevention of political aggression. The Committee has made recommendations to the American republics with respect to such important problems as the registration and control of the movement of enemy aliens, the prevention of sabotage with respect to hemisphere shipping, and the creation of an inter-American office for the exchange of information on individuals or organizations engaged in subversive activities.

"The activities of the Committee were recognized, endorsed, and to some extent expanded, by the Inter-American Conference of Police and Judicial Authorities held at Buenos Aires from May 27, to June 9, 1942,¹ pursuant to resolutions of the Second and Third Meetings of the Ministers of Foreign Affairs of the American Republics. Recognizing the fact that the dynamic nature of the problem of subversive activity requires continuing consideration by a central body, the Conference of Police and Judicial Authorities referred a number of special questions to the Committee for further study and for the preparation of appropriate recommendations to the 21 American governments. . . .

"The United States member of the Committee² is assisted by technical experts from this country and additional technical services are received from the secretariat of the Committee and through the close cooperation of the liaison official in each of the American republics.

"The success and effectiveness of the Committee's work will depend very largely upon the facilities and encouragement offered by the governments of the American republics, particularly those chosen to designate nationals to serve as active members. The position of leadership which the United States holds in the military defense of the Western Hemisphere democra-

¹ BULLETIN of May 23, 1942, p. 480.

² Carl B. Spaeth, former Chief of American Hemisphere Division, Board of Economic Warfare, and former Assistant Coordinator of Inter-American Affairs.

cies is equally apparent in the companion sphere of political defense. . . ."

The establishment of the Emergency Advisory Committee for Political Defense, pursuant to resolution XVII adopted at the Third Meeting of Ministers of Foreign Affairs of the American Republics at Rio de Janeiro in January 1942, in order to combat acts of aggression, including sabotage, espionage, and subversive propaganda by the Axis powers against both neutral and belligerent nations of the Western Hemisphere, was announced in the *BULLETIN* of April 11, 1942, page 322. Argentina, Brazil, Chile, Mexico, Uruguay, Venezuela, and the United States have representatives on the Committee, which functions in behalf of all the 21 American republics.

GIFT OF THE KING OF EGYPT TO THE AMERICAN FORCES IN EGYPT

[Released to the press December 12]

The President has sent the following message to His Majesty Farouk I, King of Egypt, who has made a gift of 2,000 Egyptian pounds to the American forces in Egypt on the occasion of the approaching holiday season:

DECEMBER 11, 1942.

The American Minister at Cairo has informed me of Your Majesty's generous gift to the American forces in Egypt on the occasion of the approaching holiday season.

In expressing my personal appreciation of Your Majesty's generosity, I express also the gratitude of the American people for this gracious contribution to the happiness of the men of the American armed forces in Your Majesty's hospitable country.

I wish to take this opportunity to extend my best wishes for the personal happiness of Your Majesty and for the well-being of the people of Egypt.

FRANKLIN D ROOSEVELT

American Republics

VISIT TO THE UNITED STATES OF THE PRESIDENT OF CUBA

[Released to the press December 6]

His Excellency Maj. Gen. Fulgencio Batista, President of the Republic of Cuba, will arrive in Washington December 8, where he will be received by an official reception committee with military honors. The President will be accompanied by His Excellency Dr. José A. Martínez, Minister of State; His Excellency Señor Dr. Aurelio F. Concheso, Ambassador of Cuba; the Honorable Spruille Braden, American Ambassador to Cuba; Mr. Amando López Castro, Minister of the Presidency; Brig. Gen. Francisco Tabernilla, Cuban Army; Dr. Oscar García Montes, Member of Cuban National Development Commission; Dr. Pedro Rodríguez Capote, Chief of Protocol, Cuban Ministry of State; Comdr. Rolando Pelaez, Cuban Navy, Aide; Maj. Jorge Hernández, Aide; Dr. Oscar Figueroa Infante, Physician; and Mr. Rafael Muñoz, Private Secretary.

In Washington Brig. Gen. John B. Coulter, U.S.A., and Capt. A. H. Addoms, U.S.N., will join the party as Military and Naval Aides, respectively.

During his stay in Washington President Batista will be the overnight guest of the President at the White House, where a state dinner will be given in his honor.

On leaving the White House the President will go to Blair House. While in Washington dinners will be tendered in his honor by the Secretary of State and the Under Secretary of State. The Ambassador of Cuba will also give a dinner for President Batista, followed by reception. Luncheons will be given in his honor by the Governing Board of the Pan American Union and by Mr. Nelson Rockefeller, the Coordinator of Inter-American Affairs. The President will also visit the Capitol, Annapolis, Mount Vernon, and Arlington National Cemetery.

From Washington President Batista will proceed to New York, where he will be entertained by the Mayor, the Cuban Chamber of Com-

merce, and Mr. Thomas J. Watson. He will later go to Buffalo for a visit to war-industry plants.

Treaty Information

AVIATION

Convention for the Unification of Certain Rules Relating to International Transportation by Air

Liberia
The American Chargé d'Affaires ad interim at Monrovia reported by a despatch dated November 4, 1942 that the Secretary of State of Liberia had notified him on that day that his government's instrument of adherence to the Convention for the Unification of Certain Rules Relating to International Transportation by Air, signed at Warsaw on October 12, 1929 (Treaty Series 876), had "been deposited with the Polish Government in Exile by the Liberian Minister in London".

According to the terms of article 38 of the Convention the adherence by Liberia will become effective 90 days after the date of the deposit of the instrument of adherence. The date of the deposit was not given in the notice received by the American Chargé at Monrovia.

The countries in respect of which the convention is now in force as a result of ratification or adherence are the United States of America; Australia, including Papua, Norfolk Island, New Guinea, and Nauru; Belgium, including Belgian Congo and Ruanda-Urundi; Brazil; Bulgaria; Czechoslovakia; Danzig; Denmark and Faroe Islands, but not including Greenland; Finland; France, including colonies, protectorates, and mandated territories; Germany; Great Britain, including Aden Colony, Palestine, Barbados, Bermuda, British Guiana, British Honduras, Ceylon, Channel Islands,

Cyprus, Falkland Islands and dependencies, Fiji Islands, Gambia (colony and protectorate), Gibraltar, Gold Coast (colony, Ashanti, Northern Territories, Togoland), Hong Kong, Isle of Man, Jamaica (Turks and Caicos Islands and Cayman Islands), Kenya (colony and protectorate), Leeward Islands (Antigua, Dominica, Montserrat, St. Christopher, and Nevis), Virgin Islands, Malta, Mauritius, Nigeria (colony, protectorate, Cameroons), Northern Rhodesia, Nyasaland Protectorate, Palestine (excluding Trans-Jordan), St. Helena and Ascension, Seychelles Islands, Sierra Leone (colony and protectorate), British Somaliland, Straits Settlements, Tanganyika, Trinidad and Tobago, Uganda (protectorate), West Pacific Islands (Solomon Islands, Gilbert and Ellice Islands Colony, Tonga), Trans-Jordan, Windward Islands (Grenada, St. Lucia, St. Vincent), Zanzibar, Southern Rhodesia, Federated Malay States (Negri Sembilan, Pahang, Perak, Selangor), Unfederated Malay States (Johore, Kedah, Kelantan, Perlis, Trengganu), Brunei, North Borneo, and Sarawak; Greece; Hungary; India; Ireland; Italy, including colonies and Aegean Islands; Latvia; Liechtenstein; Mexico; Netherlands, including Netherlands Indies, Surinam and Curaçao; Newfoundland; New Zealand; Norway (and possessions); Poland; Rumania; Spain; Sweden; Switzerland; Union of Soviet Socialist Republics; and Yugoslavia.

COMMERCE

Trade Agreement With Argentina

[Released to the press December 12]

On December 11, 1942 the President issued a supplementary proclamation to the effect that

the trade agreement between the United States and Argentina, signed at Buenos Aires on October 14, 1941, which he proclaimed on October 31, 1941, will enter definitively into force on January 8, 1943.

Pursuant to a provision in the agreement it entered provisionally into force on November 15, 1941. Pursuant to a further provision in the agreement it will enter definitively into force 30 days following the exchange of the President's proclamation of the agreement and the instrument of ratification of the Government of Argentina. The Government of Argentina having ratified the agreement on August 27, 1942, the exchange of the ratification and the proclamation of October 31, 1941 took place at Washington on December 9, 1942.

The texts of this agreement and the four related notes will be printed shortly in the Executive Agreement Series. An analysis of the agreement appeared in the BULLETIN, Supplement of October 18, 1941. Announcement of the President's proclamation of the agreement appeared in the BULLETIN of November 1, 1941, page 351.

FINANCE

Supplementary Agreement With Haiti

An agreement between the Government of the United States and the Haitian Government was signed at Port-au-Prince on September 30, 1942, extending the moratorium on the payment of amortization charges on the Haitian debt to and including September 30, 1943.

This agreement extends for one year the agreement signed on September 30, 1941 (Executive Agreement Series 224) and provides:

"(1) All the receipts of the Haitian Government shall be deposited without deduction at

the Banque Nationale de la République d'Haiti, which bank shall make the payments provided for by the loan contracts of 1922 and 1923, in accordance with the procedure outlined in Article VI of the Executive Agreement of September 13, 1941¹;

"(2) The Government of the Republic of Haiti agrees to pay \$20,000 U.S. currency during the period October 1, 1942, to September 30, 1943, inclusive, on account of the amounts required to be paid under the loan contracts of October 6, 1922 and May 26, 1925 for the amortization of the loans of 1922 and 1923, the provisions of the paragraph designated (2) of Article VI of the Executive Agreement of September 13, 1941, and those of the subsequent paragraphs of the said article, notwithstanding."

Publications

DEPARTMENT OF STATE

Exchange of Official Publications: Agreement Between the United States of America and Iceland—Effectuated by exchange of notes signed August 17, 1942; effective August 17, 1942. Executive Agreement Series 224. Publication 1837. 5 pp. 5¢.

Legislation

Amending the Nationality Act of 1940 [to extend for period of 2 years the time within which petitions for naturalization filed prior to the effective date of the

¹ Executive Agreement Series 220. See also the BULLETIN of Sept. 13, 1941, p. 214.

act may be heard, and to extend for a period of 2 years the time a certain class of citizens may have within which to return to the United States in order to preserve their citizenship]. H. Rept. 2669, 77th Cong., on H.R. 7709. 4 pp.

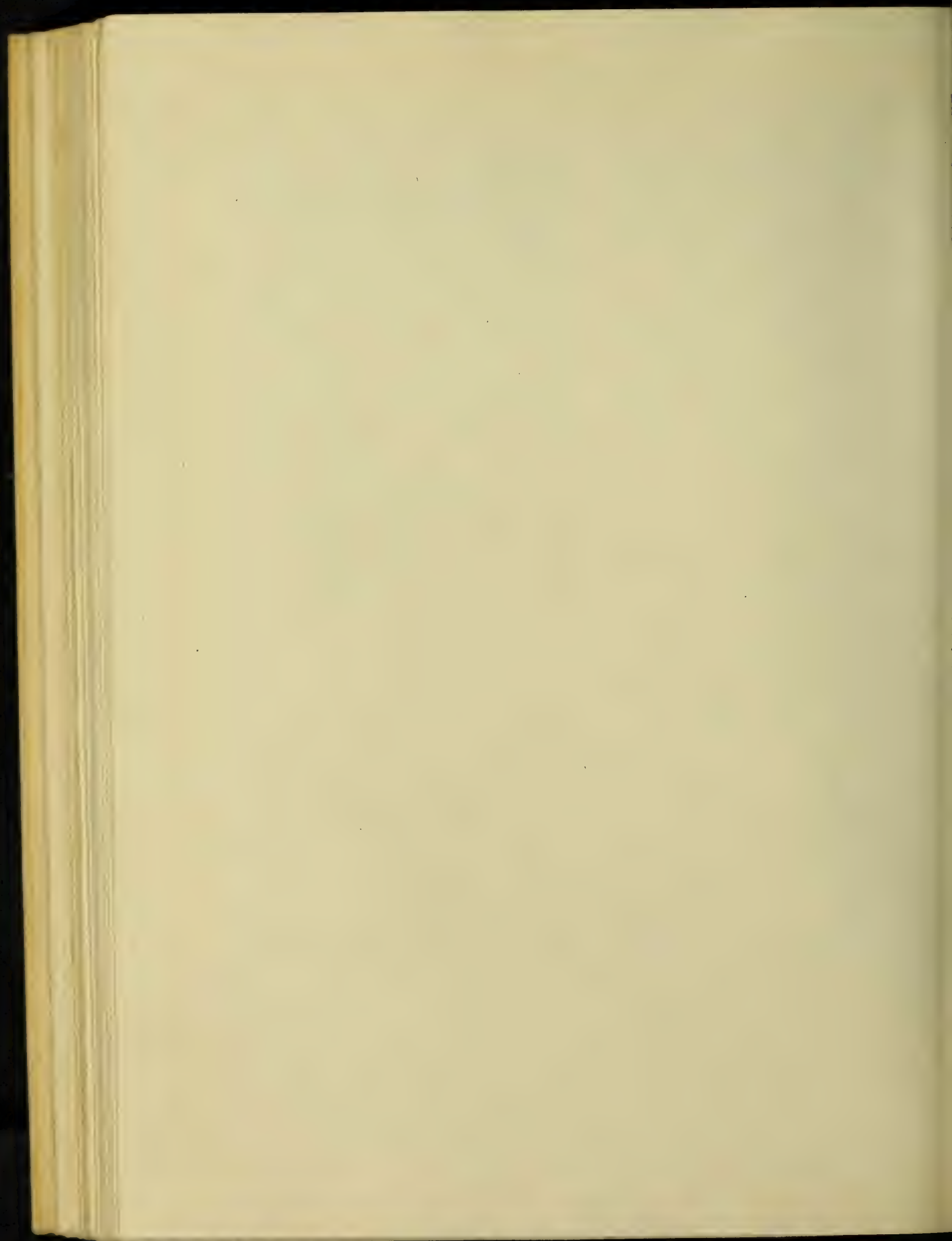
Incorporations of Military Forces of Cobelligerent Nations. H. Rept. 2677, 77th Cong., on S. 2852. 2 pp.

Settlement of Mexican Claims Act of 1942. H. Repts. 2679 and 2711, 77th Cong., on S. 2528. 9 pp. and 10 pp., respectively.

Authorizing the Execution of Certain Obligations Under the Treaties of 1903 and 1936 With Panama. S. Rept. 1720, Part 2, 77th Cong., on S. J. Res. 162. (Minority Views.) 9 pp.

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DECEMBER 19, 1942

VOL. VII, No. 182—PUBLICATION 1852

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The War

SUPPORT OF THE UNITED NATIONS BY THE FRENCH IN NORTH AFRICA

STATEMENT BY THE PRESIDENT INCLUDING DECLARATION BY ADMIRAL DARLAN

Released to the press by the White House December 16]

Since November 8 the people of North Africa have accomplished much in support of the war effort of the United Nations, and in doing so have definitely allied themselves on the side of liberalism against all for which the Axis stands for government. I am informed in this connection by General Eisenhower that Admiral Darlan has made the following declaration:

"French Africa with the Allies must make the maximum military effort for the defeat of Germany and Italy. This will be accomplished by the unity of all citizens, regardless of their political or religious opinions, in an orderly and cohesive fashion.

"At last liberated from German and Italian restrictions, the French authorities in Africa will adjust the situation which has existed in accordance with French national traditions. Since France and the French Empire is free from the Axis yoke, the French people themselves will decide freely the form of government and national policy they desire.

"In actual accomplishment the high commissioner has already granted full and complete amnesty to all against whom any action had been taken because of sympathy to the Allies. Certain of these have been given important posts in the High Commissariat. He has restored to their proper ranks and emoluments Army officers who had been suspended from office because of rendering aid to the Allies. He is now organizing a body of representative private citizens to work with him in an advisory

and consultative capacity in carrying on official business. Prisoners and internees of the United Nations were promptly released and their travel to seaboard expedited.

"The High Commissioner has begun the restoration of rights to those persons from whom these had previously been taken because of race. Measures have been taken to stop immediately whatever persecution of the Jews may have resulted from the laws passed in France under German pressure. His announced purpose is to give just treatment to all elements making up the complex North African population to the end that all can dwell and work together under laws insuring mutual tolerance and respect for rights.

"There is little industrial development in North Africa and Vichy laws prejudicial to labor unions had little or no application and all reports show no serious problem here. Censorship of the press and radio in which Allied authorities participate is only that which is necessary for the security of military operation.

"On the practical military side, General Giraud has conducted the most active participation of the Armed Forces of North and West Africa in the Allied war effort. Units of substantial size under the leadership of General Giraud are fighting side by side with the United Nations in Tunisia against the Germans and Italians. All posts and airfield facilities including the services of officials and technicians have been made freely available for use by the Allies. North African shipping is already en-

tering the services of the Allied Nations. Railroads, motor trucks, communications, public and private buildings and everything that North Africa has to give have been freely offered to the Allied Forces, wherever a military need exists.

"I have stated emphatically and repeatedly to the Commander in Chief, General Eisenhower, that in leading North and West Africa against Germany and Italy and into the ranks of the United Nations, I seek no assistance or support for any personal ambitions. I have announced that my sole purpose is to save French Africa, help free France and then retire to private life with a hope that the future leaders of France may be selected by the French people themselves and by no one else."

STATEMENT BY THE SECRETARY OF STATE

[Released to the press December 17]

At his press conference December 17, the Secretary of State was asked the following question by a correspondent:

"Apart from Admiral Darlan's statement, do you think that those French leaders who are eager to help us in bringing about the defeat of the Axis should now try to cooperate with one and another in the common effort?"

In reply the Secretary made the following statement:

"I have had only one view with respect to the two central points in the international situation as they address themselves especially to the Allied nations, and that view applies universally and not to any one country or one people any more than another. The first central point is that every person in sympathy with the cause of the United Nations and every group of persons and every other one concerned should strive to unify their efforts in the support of the Allied military cause until final success. That is the supreme and the immediate question that addresses itself to each and all of us alike in every part of the world. We need all the help we can get.

"With the victory won and freedom restored to those who have lost it or who are seeking it there would then arise under point three of the Atlantic Charter the fullest opportunity for each people to select their leaders and the forms of government. These two central points of the world situation have been expressed heretofore by myself and others."

For the possible assistance of correspondents, point three of the Atlantic Charter is quoted below:

"Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them."

ECONOMIC MISSION TO FRENCH NORTH AFRICA

An economic mission has been sent to French North Africa to aid Robert Murphy, Chief of Civil Affairs Officer on the staff of Lt. Gen. Dwight D. Eisenhower, the Office of War Information announced December 17. The mission consisting of United States and United Kingdom representatives already on the scene, will survey (1) French North African requirements for non-military supplies from the United States and other United Nations sources; and (2) production and supply of materials that may be made available from French North Africa for needs of the United States and other United Nations.

Representatives from the United States include Paul T. Culbertson, Assistant Chief, Division of European Affairs, Department of State; Donald Hiss, Chief, Division of Foreign Funds Control, Department of State; Morris Rosenthal and Harold W. Starr, Board of Economic Warfare; Lloyd Cutler and Livingston Short, Office of Lend-Lease Administration.

osiah DuBois, Treasury Department; and
rnold A. Garthoff, Department of Agricul-
ture.

GERMAN POLICY OF EXTERMINATION OF THE JEWISH RACE

Released to the press December 17]

The attention of the Belgian, Czechoslovak, Greek, Luxembourg, Netherlands, Norwegian, Polish, Soviet, United Kingdom, United States, and Yugoslav Governments and also of the French National Committee has been drawn to numerous reports from Europe that the German authorities, not content with denying to persons of Jewish race in all the territories over which their barbarous rule has been extended the most elementary human rights, are now carrying into effect Hitler's oft-repeated intention to exterminate the Jewish people in Europe. From all the occupied countries Jews are being transported in conditions of appalling horror and brutality to eastern Europe. In Poland, which has been made the principal Nazi slaughterhouse, the ghettos established by the German invader are being systematically emptied of all Jews except a few highly skilled workers required for war industries. None of those taken away are ever heard of again. The able-bodied are slowly worked to death in labor camps. The infirm are left to die of exposure and starvation or are deliberately massacred in mass executions. The number of victims of these bloody cruelties is reckoned in many hundreds of thousands of entirely innocent men, women, and children.

The above-mentioned Governments and the French National Committee condemn in the strongest possible terms this bestial policy of cold-blooded extermination. They declare that such events can only strengthen the resolve of all freedom-loving peoples to overthrow the barbarous Hitlerite tyranny. They reaffirm their solemn resolution to insure that those responsible for these crimes shall not escape retribution and to press on with the necessary practical measures to this end.

DECLARATION OF WAR BY ETHIOPIA AGAINST THE AXIS POWERS

[Released to the press December 17]

The following telegram has been sent by the President of the United States to His Imperial Majesty Haile Selassie I, Emperor of Ethiopia:

DECEMBER 16, 1942.

I have received Your Majesty's message of December 1¹ informing me that on that day Your Majesty proclaimed that a state of war exists between the Government of Ethiopia and the Governments of Italy, Germany and Japan. By virtue of this historic declaration the first nation to be freed from the yoke of Axis oppression has joined its forces with those of the United Nations in this great struggle to preserve the freedom of mankind. In accordance with Your Majesty's wishes I am taking steps to make the issuance of this proclamation known to the Governments of Italy, Germany and Japan.

As doubtless Your Majesty has learned, a few days ago I announced that I had found that the defense of Ethiopia is vital to the defense of the United States, thus rendering Your Majesty's country eligible to receive Lend-Lease aid.

I take this occasion to extend my best wishes for Your Majesty's happiness and for the well-being of the people of Ethiopia.

FRANKLIN D ROOSEVELT

The Far East

OPENING OF RADIOPHOTO SERVICE WITH CHINA

[Released to the press by the White House December 15]

The President, in connection with the opening of radiophoto service between the United States and China, on December 15 sent a handwritten letter to Generalissimo Chiang Kai-shek, the text of which follows

¹ Not printed.

MY DEAR GENERALISSIMO:

The once vast distances between our two countries have been successively diminished by the steamship, the radio, the cable, the airplane, and now by this marvel of science which I am utilizing today.

I take this unique chance to tell you how honored the people of this country, including Mrs. Roosevelt and myself, feel to have with us your charming and distinguished wife.

Always sincerely yours,

FRANKLIN D ROOSEVELT

[Released to the press by the White House December 18]

The President received from Generalissimo Chiang Kai-shek on December 18 an answer to the handwritten message which he transmitted to the Generalissimo on December 15. General Chiang's message was dated Chungking and, like the message sent by the President, was transmitted by radiophoto service. The text follows:

MY DEAR PRESIDENT:

Your handwritten letter transmitted by radiophoto is an immense source of joy to me. By this newest means of communication the march of science has brought us closer and closer together. May this be a symbol of the rapid progress of the United Nations' war efforts and of the early realization of our common war aims in advancing the cause of freedom and equality in a world of peace, order and happiness. I am deeply appreciative of the warm welcome accorded Madame Chiang by you and Mrs. Roosevelt and by the American people.

With cordial greetings,

Very sincerely yours,

CHIANG KAI-SHEK

Cultural Relations

METEOROLOGY COURSES FOR STUDENTS FROM OTHER AMERICAN REPUBLICS

Training in meteorology is being offered by the United States Weather Bureau to students from all the American republics, and the initial courses will commence February 1, 1943 at Medellín, Colombia. Upon completion of the six months' course at Medellín, it is planned to bring a number of the honor students to the United States for an additional year of more extensive training.

Under plans developed by the Weather Bureau, the Department of State, the Office of the Coordinator of Inter-American Affairs, and the Defense Supplies Corporation, some 200 students will be trained.

The training in the United States will consist of nine months' study at one of the five major universities in this country specializing in meteorology: Massachusetts Institute of Technology; New York University; University of Chicago; California Technological Institute and the University of California at Los Angeles. This study will be followed by assignment to two months' active duty with the United States Weather Bureau.

DISTINGUISHED VISITORS FROM OTHER AMERICAN REPUBLICS

[Released to the press December 19]

Dr. M. Ruiz Castañeda, official of the Department of Public Health of Mexico and professor of the National School of Medicine, will arrive in Washington on December 21 from New Orleans, where he has been lecturing at

ulane University at the invitation of the head of the Department of Tropical Medicine. Dr. Ruiz Castañeda is visiting the United States as a guest of the Department of State and while in the National Capital plans to confer with the authorities of the National Institute of Health. After, he will probably visit leading research centers in the United States.

Released to the press December 19]

Dr. Francisco Villagrán, Director of the Preparatory School of the National University of Mexico, arrived in the United States on December 14, as a guest of the Department of State, for a tour of university centers, preparatory schools, and research foundations in this country. Dr. Villagrán will observe especially the integration of biology into the American university system, with particular attention to photography in this field, the relation of the American college student to faculty and administration, and the part that military training plays in the modern university curriculum.

The Department

THE UNITED STATES SECTION OF THE ANGLO-AMERICAN CARIBBEAN COMMISSION

Released to the press December 19]

The State Department has defined as follows the relation between the Anglo-American Caribbean Commission and the Caribbean Office of the Department of State.¹

The Anglo-American Caribbean Commission has been set up by agreement between the Gov-

ernments of the United States and Great Britain.² The United States Section, of which Mr. Charles W. Taussig is chairman, is directly responsible to the President, paralleling a similar organization set up by and responsible to the British Government to handle matters relating to the Caribbean area.

For reasons of administrative convenience, the United States Section of the Commission will be considered an integral unit of the Department.

The Caribbean Office of the Department, headed by Mr. Coert duBois since its establishment by Departmental Order 984, of October 9, 1941, in addition to such other duties as have already been specifically assigned or may hereafter be directed by the Secretary or the Under Secretary of State, to whom this Office is directly responsible, shall serve as the Executive Agency for the United States Section of the Anglo-American Caribbean Commission, the duties of which include the initiation and successful accomplishment of projects dealing with the public health and welfare of the possessions and territories of the United States and Great Britain in the Caribbean area. The Caribbean Office in the discharge of its function as Executive Agency will (1) furnish technical assistance on plans or projects worked up by the Commission, (2) maintain liaison jointly in behalf of the Department and the Commission with other offices of the Department and other departments and agencies of the Government concerned with common or related problems, and (3) keep the Commission appropriately apprised of all developments in its field of activity, as well as of plans, projects, or procedures developed on its own initiative and of common interest.

² Created Mar. 9, 1942. See BULLETIN of Mar. 14, 1942, p. 229.

Treaty Information

COMMERCE

Reciprocal Trade Treaty Between Argentina And Venezuela

The American Embassy at Buenos Aires reported by a despatch dated November 2, 1942 that a reciprocal trade treaty between Argentina and Venezuela was signed on October 29, 1942 at Buenos Aires. The treaty provides for reciprocal most-favored-nation treatment for the products of one country entering the other; for treatment relating to foreign exchange; and for the treatment accorded to the citizens of one country in the other in matters of travel, commerce, and legal status. No special internal taxes will be collected on the products of either country in the other country, and the goods of one country in transit through the other shall not be subject to transit taxes. The treaty will enter into force 30 days after the exchange of ratifications and will remain in force until terminated by either party on 6 months' notice.

Statement Concerning Commercial Relations Between Peru and Venezuela

There is printed below a translation of a statement concerning commercial relations between Peru and Venezuela signed at Lima on November 11, 1942, as transmitted to the Department by the American Embassy at Lima under date of November 13, 1942:

"In Lima, on the eleventh day of the month of November, one thousand nine hundred forty-two, the undersigned, Dr. Alfredo Solf y Muro, Minister for Foreign Affairs of Peru, and Dr. Caracciolo Parra Pérez, Minister for Foreign Affairs of the United States of Venezuela, having met, after an interchange of ideas with reference to the various aspects of the commercial relations between the two countries, and motivated by the desire to increase and affirm such relations, have verified the following:

"First.—That there exists positive interest from the point of view of the mutual advantage to Peru and Venezuela, in the development of a permanent commercial interchange.

"Second.—That such interchange can be effected by reason of the varied nature of natural and manufactured products of both countries contributing to supplying the respective internal markets of the two countries;

"And have decided in consequence to recommend to their respective Governments that they undertake as soon as possible the careful study of all the possibilities of commercial interchange, as well as the most efficacious for favoring such commercial interchange, and that the two Governments continue to maintain contact with each other in order to communicate to each other all pertinent information, coming to an agreement with respect to the execution of measures of various kinds which would lead to a better mutual understanding of such possibilities.

"In consequence of which, they sign this statement in duplicate.

"C. PARRA PÉREZ

"ALFREDO SOLF Y MURO"

EDUCATION

Convention for Cultural Interchange Between Brazil and Venezuela

The American Ambassador at Rio de Janeiro reported by a despatch dated October 23, 1942 that a Convention for Cultural Interchange between the Governments of Brazil and Venezuela was signed on October 22, 1942. The convention was entered into as a result of the Convention for the Promotion of Inter-American Cultural Relations (Treaty Series 928), signed at Buenos

res on December 23, 1936 at the Inter-American Conference for the Maintenance of Peace. Under the terms of the convention the two Governments undertake to stimulate in every possible reciprocal scholarships for university professors, members of scientific, literary and artistic groups, professional men, and post-graduate students. An exchange of official publications by the national libraries at Rio de Janeiro and Caracas is provided for, and the two libraries will inaugurate, respectively, a Brazilian section and a Venezuelan section. Expositions of the literary works of each of the two countries will be held periodically in Brazil and Venezuela, and each country will favor the translation into their respective languages of the most noted works of the authors of the other country.

Convention for the Encouragement of Historical Studies Between Venezuela and Peru

The American Embassy at Lima reported by despatch dated November 13, 1942 that a convention for the Encouragement of Historical Studies Between the Governments of Venezuela and Peru was signed at Lima on November 11, 1942. The convention provides for the interchange of professors; for the promotion of scholarships; for the encouragement of travel by university professors; and for the establishment of an interchange of historical publications and documents and of photographic reproductions of the documents, manuscripts, iconographs, and other historic relics of the epoch of independence, under the protection of the respective Governments. Both Governments agree to conserve and repair historic monuments and sites and to make possible access thereto to coming generations and foreign visitors.

AGRICULTURE

Agreement for the Establishment and Operation of an Agricultural Experiment Station in Ecuador

By an exchange of notes between the Secretary of State of the United States of America

and the Ecuadoran Minister at Washington, dated October 20 and October 29, 1942, respectively, the two Governments indicated their approval of the provisions of a Memorandum of Understanding signed on August 12, 1942 at Quito, Ecuador, by the Honorable Claude R. Wickard, Secretary of Agriculture of the United States of America; by His Excellency Ricardo Crespo Ordoñez, Minister of Agriculture of the Republic of Ecuador; and by Mr. Eric F. Lamb and Señor V. Illingworth, General Manager and President, respectively, of the Corporación Ecuatoriana de Fomento, relating to the establishment and operation of an agricultural experiment station in Ecuador, and confirmed their understanding that the Memorandum constituted an agreement between the two countries effective as of August 12, 1942. The agreement will remain in force for a period of 10 years, unless the Congress of either country shall fail to appropriate the funds necessary for its execution, in which event it may be terminated on 60 days' written notice by either Government to the other Government.

Agreement for the Establishment and Operation of an Agricultural Experiment Station in El Salvador

By an exchange of notes between the Secretary of State of the United States and the Salvadoran Minister at Washington, dated November 24 and December 2, 1942, respectively, the two Governments indicated their approval of the provisions of a Memorandum of Understanding signed on October 21, 1942 by the Honorable Claude R. Wickard, Secretary of Agriculture of the United States of America, and by Señor Hector David Castro, Salvadoran Minister at Washington, relating to the establishment and operation of an agricultural experiment station in El Salvador, and confirmed their understanding that the Memorandum constituted an agreement between the two countries effective October 21, 1942. The agreement will remain in force for a period of 10 years unless the Congress of either country shall fail to appropriate the funds neces-

sary for its execution, in which event it may be terminated on 60 days' written notice by either Government to the other Government.

Publications

DEPARTMENT OF STATE

Boundaries of the Latin American Republics: An Annotated List of Documents, 1493-1825 (Tentative Version). Publication 1835. vi, 76 pp. 15¢.

Principles Applying to the Provision of Aid to the Armed Forces of the United States: Supplementary Agreement Between the United States of America

DEPARTMENT OF STATE BULLETIN

and the United Kingdom of Great Britain and Northern Ireland—Effectuated by exchange of notes signed at Washington September 3, 1942. Executive Agreement Series 270. Publication 1842. 4 pp. 5¢.

Principles Applying to the Provision of Aid in the Prosecution of the War: Agreement Between the United States of America and Australia—Effectuated by exchange of notes signed at Washington September 3, 1942. Executive Agreement Series 271. Publication 1843. 4 pp. 5¢.

Principles Applying to the Provision of Aid in the Prosecution of the War: Agreement Between the United States of America and New Zealand—Effectuated by exchange of notes signed at Washington September 3, 1942. Executive Agreement Series 272. Publication 1844. 3 pp. 5¢.

Diplomatic List, December 1942. Publication 1846. 103 pp. Subscription, \$1 a year; single copy, 10¢.

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THE DEPARTMENT OF STATE BULLETIN

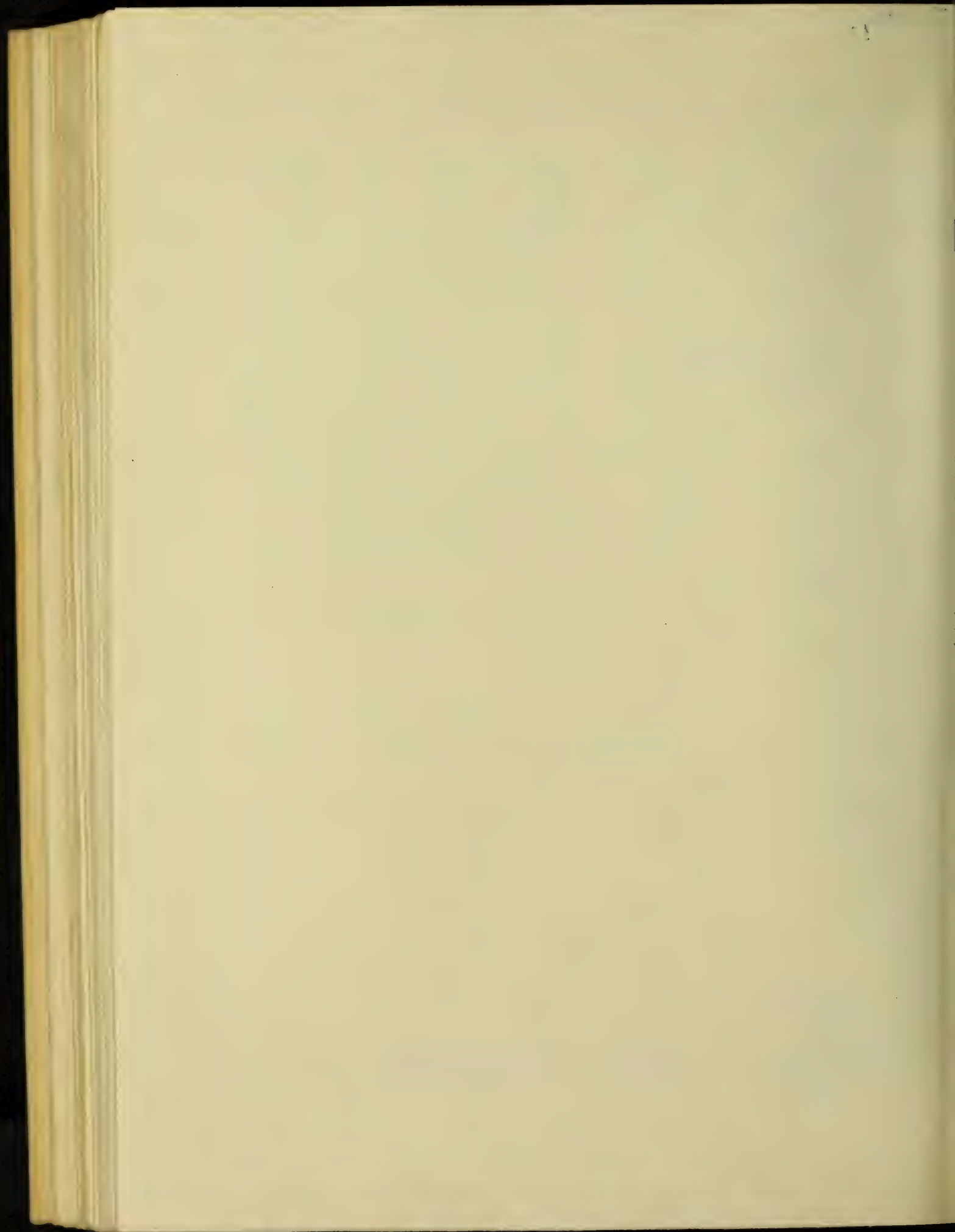
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The War

CHRISTMAS MESSAGE TO THE ARMED FORCES OF OUR ALLIES

Released to the press December 24]

A message of the President conveying the President's greetings to the armed forces and auxiliary services of our allies has been sent to the appropriate American diplomatic missions for transmission to the heads of the governments of the following countries: Australia, Belgium, Brazil, Canada, China, Costa Rica, Cuba, Czechoslovakia, Dominican Republic, El Salvador, Great Britain, Greece, Guatemala, Haiti, Honduras, India, Luxembourg, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Panama, Poland, Union of South Africa, Union of Soviet Socialist Republics, Yugoslavia.

The message has also been sent to the President of the Commonwealth of the Philippines; the Emperor of Ethiopia; to the American Embassy at London for communication through Admiral Stark to the French National Committee; and to the Honorable Robert D. Murphy, Civil Affairs Officer on General Eisenhower's staff at Algiers, for communication to General Giraud.

The text of the message follows:

Struggling side by side against powerful enemies, thousands upon thousands of soldiers of these nations large and small which are united in defense of freedom and justice and human rights face the holiday season far from home, across oceans or continents, in fields of desert

sand or winter snow, in jungles or forests, on warships or merchant vessels, on island ramparts from Iceland to the Solomons, in the Old and New Worlds.

"They strive to the limit of their strength, without regard for the clock or the calendar, to hold the enemy in check and to push him back. They strike mighty blows and receive blows in return. They fight the good fight in order that they may win the victory which will bring to the world peace, freedom, and the advancement of human welfare.

"With a deep and abiding sense of gratitude, the Congress of the United States has, by a joint resolution, asked me to transmit, on behalf of the people of the United States, to the armed forces and auxiliary services of our allies on land, on sea, and in the air, best wishes and greetings of the season to them and to their families and a fervent hope and prayer for a speedy and complete victory and a lasting peace.

"Accordingly, I shall be grateful to you if you will convey to your armed forces and auxiliary services, in the name of the Congress of the United States, in my own name, and in the name of the people of the United States, the cordial wishes and greetings and the hope and prayer expressed in the joint resolution.

"FRANKLIN D ROOSEVELT"

ASSASSINATION OF ADMIRAL DARLAN

Released to the press December 26]

In answer to questions at a press conference regarding the situation in North Africa and the assassination of Admiral Darlan, the Secretary of State said:

"The all-important consideration is that we be not diverted for a moment from the supreme objective of the United Nations in the present battle against the Axis forces for control of the

African continent and the Mediterranean. This battle is still at a crucial and critical stage. The fullest measure of unified support is needed by General Eisenhower and his associates.

"Of Admiral Darlan, it may be repeated that

the part he played in North Africa related primarily to the military situation and was of incalculable aid to the allied armies in the battle which is still raging. His assassination was an odious and cowardly act."

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN

[Released to the press December 20]

He is trampling out the vintage where the grapes of wrath are stored,

He has loosed the fateful lightning of his terrible swift sword,

His truth is marching on.

You, gentlemen of the graduating class of Trinity College, have completed the first part of your education. You have learned many things during your years at Trinity. You can have learned nothing more fundamental than the meaning of the word *truth*, for truth is all-embracing. It comprises all knowledge and learning, all justice and balance and correct perspective, and all the beauty of living and of life. "Beauty is truth, truth beauty", wrote Keats, "That is all we know in life and all we need to know."

Today we are at war. It was not a war of our choosing; we were treacherously attacked by forces whose stimulus was that of ambitious greed, and we responded as only a free and powerful, truth-loving and God-loving nation could respond, by reluctantly unsheathing that terrible sword which day by day and hour by hour we are swiftly whetting for the work in hand. We have unsheathed that sword not only to defend our homes and our women and our children and our children's children—and, yes, ourselves—from eventual enslavement but that truth might prevail and that the foul miasma of untruth and falseness and lies with which our enemies seek to blot out the sun in every country that falls under their galling yoke shall never poison the pure air of our own beloved land. That sword of ours will not be sheathed

until the danger is past and, let us hope, is swept from the world for all time to come. Is not this a cause worth living for, and fighting for, and dying for if necessary?

In that enlightened work, gentlemen, you are to play your part. I wish I could hold out to you the prospect of the gracious living of olden days, those brief intervals between wars when for a small minority of mankind, the quest for truth was a normal and peaceful concomitant of life, when truth could be defended by words alone. Alas, for many years that cannot be, not in the light of the facts you face, would you have it otherwise; for no man, if he is worth his salt, would shirk in any degree whatsoever the great responsibilities and labor and danger which right-thinking tells him must be his portion. "Though love repine and reason chafe, the voice came a voice without reply: 'Tis man's portion to be safe, when for the truth he ought to die." God's truth is marching on. You cannot, if you would, retard that march. You would not if you could. For in giving all that you have, applying all that you have learned and assimilated in this college, to the furtherance of that march of Truth, you are to find profound satisfaction and great inspiration living for an ideal, for your country, for civilization, and for the future freedom of humanity. "Mine eyes have seen the glory . . ." I cannot deplore that outlook and vista that you face today. I can only congratulate you that you have, each of you, from the very start, a major work to do—work that may try your very soul but from which you will profit and grow as your country will profit and grow by possessing you as citizens. "And if I drink oblivion of day", wrote George Meredith, "so shorten I the stature of my soul." Only by functioning

¹ Commencement address delivered by the Honorable Joseph C. Grew at Trinity College, Hartford, Conn., Dec. 20, 1942, and broadcast over Station WNBC.

the limit of our several capacities in the circumstances in which we find ourselves can we add to our stature. At this time of national peril, who would fail in that maximum effort? And now I turn to one phase of the scene that confronts you. I turn to it because it is the case of our war problem that I know most about. That is our war with Japan. I do not for a moment presume to touch upon questions of high policy and strategy in the fighting of this war nor upon the relative emphasis to be placed on the various theaters of war. Our highest leaders are taking care of that. I speak merely of the Japanese war machine as I have known it and have seen it grow, in power and determination and overweening ambition, during the past 10 years of my mission to Japan.

Let me paint for you the picture as I see it. You who are about to take part in our national life have the right to know as much as can be known about the problem that confronts us. I shall not overstate the case nor overdraw the picture. Let us look at that picture as it faces us today.

Even before Pearl Harbor, Japan was strong. She possessed a military machine of great power—and when I speak of that military machine I include all branches of the Japanese armed forces: the Army, the Navy, and the air force. That military machine had been steadily strengthened and developed during many years, especially since Japan's invasion of Manchuria in 1931, an act of unprovoked aggression which, in effect, commenced the expansionist movement of Japan in total disregard of the rights and legitimate interests of any nation or of any people that might stand in the way of that movement. In 1937 came Japan's invasion of north China and Shanghai, which led to the past six years of Sino-Japanese warfare. The Japanese did not wish to clothe that famous campaign with the name of war: they called it first the "China Incident", and then, when great Japanese armies were trying desperately but futilely, year after year, to destroy the manpower and break the magnificent courage and fighting spirit of the ill-equipped determined forces of Generalissimo Chiang

Kai-shek, the Japanese people, even with their own unbalanced humor, could not fail to perceive the sardonic humor of the term *incident*, and they then, with tragi-comical deliberation, dubbed the campaign the "China Affair". But never "war". So it is today.

But during all these years of their unavailing effort to conquer China and to bring about the surrender of the Chinese National Government those Japanese armed forces were using China as a training ground in preparation for the greater war, already carefully planned, for their eventual conquest and intended permanent control of all so-called "Greater East Asia including the South Seas" and for the imposition upon the peoples of those far-flung areas of what Japan is pleased to refer to as the "New Order" and the "Co-Prosperity Sphere". We know what that euphemistic slogan "Co-Prosperity" means: it denotes absolute hegemony—economic, financial, political—for Japan's own purely selfish interests and the virtual enslavement of the peoples of those territories to do the bidding of their Japanese masters. This statement is not a figment of the imagination; it is based on practical experience in other regions already subjected to Japan's domination. Such a regime will be imposed in every area that may fall under Japan's domination.

During all this period of preparation the Japanese military machine has been steadily expanded and strengthened and trained to a knife-edge of war efficiency—in landing on beaches, in jungle fighting, and in all the many different forms of warfare which it was later to encounter. Let me give you merely one illustration of the sort of Spartan training to which those Japanese soldiers are subjected. Before the war American officers from our Army and Navy and from the Department of State used to be sent to our Embassy in Tokyo to study the Japanese language, the Army officers being assigned from time to time to observation duty with Japanese regiments. On one occasion, during a 4-day maneuver period, the Japanese commanding officer took his unit on a 29-hour march without rest; some of the soldiers actually fell asleep while marching, so great was their fatigue, and

one officer ran into a pile of lumber on the way. At the end of this grueling test the commanding officer, instead of allowing his men to rest, immediately sent them out to take up defense positions and on patrol. The American officer, astonished at this inhumane treatment, inquired why the troops could not be allowed a modicum of sleep in view of their obvious nearness to collapse. "My men know how to sleep already", replied the Japanese officer; "I am training them to learn to stay awake." Add to that intensive training the native courage of the Japanese soldiers and sailors and airmen, their determined obedience to orders even in the face of certain death, and their fanatical joy in dying for their Emperor on the field of battle, thus acquiring merit with their revered ancestors in the life to come, and you get a grim conception of the formidable character of that Japanese fighting machine. Let me add that the jealous personal disputes, endless red tape, and face-saving expedients which characterize the civil life of Japan in times of peace wholly disappear in war; the various branches of their armed forces cooperate in well-nigh perfect coordination, and their staff work, strategy, and tactics are of a high degree of excellence. The precision and speed of their campaign in the Malay Peninsula and their rapid taking of Singapore are sufficient proof of that. Furthermore, in war Japan is wholly totalitarian; her economy is planned and carried out to the last detail; a Cabinet Planning Board, composed of military experts from whose orders there is no appeal, directs the use that shall be made of all personal and corporate wealth and determines all questions relating to production. No word of criticism of the Government or its acts is tolerated; the so-called "thought control" police take care of that. Labor unions are powerless. In war Japan is a unit, thinks and acts as a unit, labors and fights as a unit.

With that background, and having in mind the strength and power of Japan even before Pearl Harbor, consider for a moment the scene as it has developed in the Far East. Consider the tremendous holdings of Japan today:

Korea, Manchuria, great areas in China proper, Formosa, the Spratly Islands, Indochina, Thailand, Burma and the Andamans, the entire Malay Peninsula, Hongkong and Singapore, the Philippines, the Netherlands East Indies, and farther to the south and to the east, myriads of islands many of which are unsinkable aircraft carriers. Those areas contain all—mind you, all—the raw materials essential to the development of national power: rubber, oil, tin, metals, and foodstuffs—everything that the most comprehensive economy can desire; and they contain, furthermore, millions of native inhabitants who, experience has proved beyond peradventure, will be enslaved as skilled and unskilled labor by Japan to process those raw materials for immediate and future use. Add to that the stores of scrap iron for the making of steel which have been accumulating these many years in the Japanese homeland and the further stores acquired in the many conquered and occupied ports. There you have a recipe and the ingredients for national strength and power that defy the imagination even approximately to assess.

Now to this recipe and these ingredients add one further element of grimly ominous support. During all my 10 years in Japan I have read the books, the speeches, the newspaper and magazine articles of highly placed Japanese, generals and admirals, of statesmen and diplomats and politicians. Sometimes thinly veiled, sometimes not even veiled, has emerged the overweening ambition eventually to invade and to conquer these United States. In their thinking, even the megalomania of Hitler is surpassed. Fantastic if you will, but to them it is not fantastic. It was not fantastic when the foremost Japanese admiral, as recently occurred, publicly stated in all seriousness that he intended that the peace after this war will be dictated at the White House in Washington—by Japan. It might be 1 year or 2 years or 5 or 10 years before that Japanese military machine would find itself ready to undertake an all-out attack on this Western Hemisphere of ours; they themselves have spoken of a 100-year war; but the fact is as certain as the law of gravity: if v

should allow the Japanese to dig in permanently in the far-flung areas now occupied, if we should allow them to consolidate and to crystallize their ill-gotten gains, if we should allow them time to fortify those gains to the nth degree, as they assuredly will attempt to do, it would be only a question of time before they attempted the conquest of American territory nearer home. In no respect do I overstate this case. My judgment is based on no wild surmise nor upon any far-fetched and imaginative hypothesis. It is based on facts, which are there for all to see, and upon 10 long years of intimate experience and observation.

What worries me in the attitude of our fellow countrymen is first the utterly fallacious pre-war thinking which still widely persists, to the effect that the Japanese, a race of little men, good copyists but poor inventors, are incapable of developing such power as could ever seriously threaten our home shores, our cities, and our homes, a habit of mind which is reinforced by the great distances separating our homeland from the eastern and southern battle fronts today. Second, I am worried by the reaction of our people to the current successes of our heroic fighting men in the Solomons and New Guinea, after each hard-won victory the spirits of our people soar. Moral stimulation is good; but moral complacency is the most dangerous bit of mind we can develop, and that danger is serious and ever-present. I have seen with my own eyes in some cases and I have had first-hand and vivid personal accounts in many other cases of the horrible tortures inflicted on some of our fellow citizens by those utterly brutal, ruthless, and sadistic Japanese military police; I received in Tokyo the first-hand stories of the rape of Nanking; I have watched during these fearful years the purposeful bombing of our American religious missions throughout China, over 300 incidents of infamous destruction of American life and property, the intentional sinking of the *Panay*, the attempts on the *Matula* and on our Embassy in Chungking, and our efforts on the part of those military ex-

tremists to bring on war with the United States for the very purpose of leading up to the eventual carrying-out of their fell designs; and I say to you, without hesitation or reserve, that our own country, our cities, our homes are in dire peril from the overweening ambition and the potential power of that Japanese military machine—a power that renders Japan potentially the strongest nation in the world—potentially stronger than Great Britain or Germany or Russia or the United States—and that only when that military caste and its machine have been wholly crushed and destroyed on the field of battle, by land and air and sea, and discredited in the eyes of its own people, and rendered impotent either to fight further or further to reproduce itself in the future, shall we in our own land be free from that hideous danger and be able once again to turn to paths of peace.

Gentlemen of the graduating class, I have spoken to you bluntly, I have talked of tragically serious matters because I believe that this is not the time for conventional commencement addresses. Today the battleground for truth is on every college campus; there are no more ivory towers; there is no more shelter from the winds of controversy. In your classrooms you have studied history, you have traced man's long and painful struggle toward freedom and truth. Today you join the stream of history, you take up the battle for truth. I cannot condole with you; I can only wish you Godspeed on the most serious adventure that man has ever undertaken.

A long, hard, bitter road stretches before us, a road beset with "blood, toil, sweat, and tears". Where does it lead? It leads eventually to victory; of that I have not one iota of doubt. Victory not only in the sense of the triumph of our armed power; not only in sense of the utter destruction of the aggressive power of the enemy; not only in sense of the liberation of millions of enslaved people in Europe and Asia. You have your part to play in that victory. You have an infinitely more difficult part to play in the translation of that victory into last-

ing peace. For the victory of our armed forces is only a prelude to the victory of truth and justice in the making of a new world. You will have a chance to help build that world, a chance to profit by the mistakes of the past, a chance to turn the stream of history into new channels of human progress and happiness. You have that precious opportunity; you will not value it lightly I know, for you have built up in your years at Trinity College a moral and spiritual foundation, a respect for truth which will strengthen you and guide you through the great adventure on which you embark today.

"His truth"—God's truth—"is marching on!" March with it into the future; carry it as your banner; and may God bless you in the efforts which will be yours, efforts consecrated to the security and welfare of your country—our country—and of mankind.

PROCLAIMED LIST: CUMULATIVE SUPPLEMENT 2 TO REVISION IV

[Released to the press December 22]

The Secretary of State, acting in conjunction with the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs, on December 22 issued Cumulative Supplement 2 to Revision IV of the Proclaimed List of Certain Blocked Nationals, promulgated November 12, 1942.

Cumulative Supplement 2 to Revision IV supersedes Cumulative Supplement 1, dated November 20, 1942. Cumulative Supplement 2 includes both the new additions, amendments, and deletions made with this supplement and all the additions, amendments, and deletions which have previously been made to the Proclaimed List since Revision IV, dated November 12, 1942. Accordingly, the current Cumulative Supplement 2 and Revision IV together con-

stitute the effective List, and Cumulative Supplement 1, dated November 20, 1942, should be destroyed. It is expected that in the future cumulative supplements, superseding all prior supplements, will be issued regularly every four weeks. It is believed that the new procedure for issuing cumulative supplements will be of great assistance to users of the List.

Part I of Cumulative Supplement 2 contains 239 additional listings in the other American republics and 36 deletions. Part II contains 134 additional listings outside the American republics and 16 deletions.

The additional listings contained in this supplement and in previous supplements cover many cases where a person or firm has been included on the List because of dealings with or on behalf of firms or persons previously included on the List. Attention is again called to the fact that on July 17, 1941, when the Proclaimed List was originally established, the President gave warning that anyone serving as such a "cloak" for a person on the List would have his name added forthwith to the List. In order that the effectiveness of this Government's Proclaimed List policies may be maintained and that our limited supplies and shipping facilities may be reserved for persons and firms who are friendly to the hemisphere-solidarity policies of the American republics and the war interests of the United Nations, this policy with respect to the inclusion of "cloaks" must and will be vigorously pursued.

AWARD OF THE DECORATION OF THE MEDAL FOR MERIT

On December 24, 1942 the President issued an Executive order (no. 9286) prescribing rules and regulations for the award of the decoration of the "Medal for Merit", which reads as follows:

"By virtue of and pursuant to the authority vested in me by section 2 of the act of July 20, 1942 (Public Law 671, 77th Congress), I hereby

prescribe the following rules and regulations for the award of the decoration of the 'Medal for Merit' created by said act:

"1. The decoration of the Medal for Merit shall be awarded only by the President of the United States or at his direction. Awards of the Medal for Merit may be made to such civilians of the nations prosecuting the war under the joint declaration of the United Nations and of their friendly foreign nations, as have, since the proclamation of an emergency by the President on September 8, 1939, distinguished themselves by exceptionally meritorious conduct in the performance of outstanding services. Awards of the Medal for Merit made to civilians of foreign nations shall be for the performance of an exceptionally meritorious or courageous act or acts in furtherance of the war efforts of the United Nations and shall have the prior approval of the Secretary of State.

"2. There is hereby created a Board to be known as the 'Medal for Merit Board', which shall consist of—

- The Secretary of State
- The Secretary of War
- The Secretary of the Navy
- The Chairman of the War Production Board, and
- The Director of the Office of Civilian Defense

The Secretary of State shall act as Chairman of the Board. Each member of the Board may designate an alternate to represent him on the board and empower the person so designated to act in his stead.

"3. The Medal for Merit Board will receive and consider proposals for the award of the decoration of the Medal for Merit and submit to the President the recommendations of the board with respect thereto.

"4. The Medal for Merit Board is authorized to prescribe, with the approval of the President, such rules and regulations not inconsistent with the provisions of this order as may be necessary to accomplish its purposes."

General

CHRISTMAS MESSAGE OF THE SECRETARY OF STATE

[Released to the press December 24]

At the press conference this morning, a correspondent asked the Secretary of State if he cared to say anything to the Nation on the subject of Christmas.

The following is the text of the Secretary's reply:

"This second Christmas since an armed attack was launched against our country is an occasion for all of us to re-dedicate ourselves fervently to a unity of purpose and to unremitting effort in the accomplishment of the two great tasks which are still before us: to overthrow, as speedily as possible, the forces of evil, now on the defensive but still formidably arrayed against us; and to make this world of ours truly worthy of the inspiring light which came to mankind when the Prince of Peace was born.

"May I wish all a Christmas of supreme confidence that we shall defeat and destroy the forces seeking to conquer and enslave us and that the burdens and sacrifices of today will bring mankind a brighter and nobler tomorrow."

The Department

APPOINTMENT OF OFFICERS

The Secretary of State, on December 26, issued the following Departmental order (no. 1120):

"Effective this date Mr. John S. Dickey is temporarily designated Special Consultant to

the Division of Commercial Policy and Agreements for such period and service as the Secretary of State may direct. Mr. Dickey will continue to serve as a member of the Board of Economic Operations and the Committee for Political Planning.

"Mr. Francis H. Russell is hereby designated Acting Chief of the Division of World Trade Intelligence, effective immediately, for the period of Mr. Dickey's temporary assignment to the Division of Commercial Policy and Agreements."

Publications

FOREIGN RELATIONS OF THE UNITED STATES: THE PARIS PEACE CONFERENCE, 1919: VOLUMES I AND II

[Released to the press December 20]

The Department of State released on December 20 the first two volumes of its extensive publication of documents relating to the Paris Peace Conference of 1919 in the series *Foreign Relations of the United States*.

Although there is a large unofficial literature on the Conference already in existence, none of the Governments represented at Paris in 1919 has yet given any large part of the record of the Conference to the public. The participation of the United States in the present war and the realization that any intelligent approach to another world settlement must take into consideration the errors and successes of the last render this an especially appropriate time for the Department of State to fill an obvious gap in its *Foreign Relations* series by publishing in these volumes and in the volumes to follow the official American records of the Paris Peace Conference of 1919.

The two volumes just released are but the first in a series intended to include all the most important of the American records. They contain documents on the preliminary period dealing with preparations for the Conference and the period between the signing of the Armistice on November 11, 1918 and the first meeting of the Council of Ten on January 12, 1919. It is intended that succeeding volumes will contain the records of the plenary sessions of the Conference; those of the Supreme Council in its various aspects—the Council of Ten, the Council of Four, the Council of Foreign Ministers, the

Council of Heads of Delegations, etc.; the minutes and reports of the commissions of the Conference; documents on the negotiations with the enemy powers and the signature and ratification of the treaties of peace and other treaties produced at the Paris Conference; documents bearing on the economic aspects of the work of the Conference, including regulation of trade, the blockade, food relief, and the work of the Supreme Economic Council, as well as the record of the meetings of the American commissioner plenipotentiary; and documents relating to the composition, organization, and activities of the American Commission To Negotiate Peace. While it is planned to print all the more important minutes, proceedings, and other papers in substantially complete form, it will be necessary to omit some material of secondary importance in order to keep the edition within reasonable limits. The publication of documents will cover the period of active American participation in the Conference, which ended with the departure from Paris of the American Commission To Negotiate Peace on December 9, 1919.

Volume I opens with a number of statements and messages of American and Allied leaders regarding the termination of hostilities and the tasks to be faced at the Peace Conference (I, 1-6).

American plans and preparations for the Conference receive extended treatment (I, 9-220). A section is devoted to the organization and work of "The Inquiry", the organization of

specialists authorized by President Wilson and set up under the direction of Colonel House in September 1917, to study questions likely to arise at the Conference. This is a subject on which little documentary material has previously been available.

Additional light is thrown by the documents here published on the considerations which led to President Wilson's decision to participate in the Conference in person and on the views of some of his principal advisers on the point (I, 128-154).

The negotiations which led to the holding of the Conference in Paris rather than in Switzerland or elsewhere are here illustrated, and the arrangements made for the accommodation in Paris of the American Commission To Negotiate Peace are described (I, 119-127).

The selection of the American plenipotentiaries and the other personnel of the American delegation is a subject of much interest here dealt with at length (I, 155-193).

Other aspects of American preparations for the work of the Conference related to arrangements for securing information (I, 194-211) and relations with the press and censorship (I, 212-220).

The approaching meeting of the Conference brought negotiations on the subject of the representation of new governments, some of them unrecognized, or of governments which had been forced out of the war, or of those who had only broken relations with Germany, and of certain states whose right to representation might be questioned (I, 223-281).

The plans and proposals of the United States and the various Allied governments concerning the subjects to be brought up at the Conference are of interest both for what they included and what they omitted and the extent to which the plans of the United States and the principal Allies differed. These proposals receive extended notice in the documents (I, 285-494).

Several proposals for a league of nations or other form of international organization had been formulated before the meeting of the Conference. The documents here assembled illustrate the attention given such proposals by the

principal American participants prior to the opening of the Conference (I, 497-532).

Of exceptional interest are the papers here printed relating to conditions in Germany and communications received from the German Government in the period following the Armistice (II, 1-172). Particularly enlightening will be found the report of the Dresel Mission to Germany during the period December 27, 1918-January 5, 1919, in the course of which interviews were held with important German figures in the fields of politics and public opinion, whose views were recorded in the Mission's report here printed (II, 130-172). Among the German leaders whose points of view were obtained were such men as Kurt Eisner, Archbishop von Faulhaber, Erhard Auer, Count Montgelas, Theodor Wolff, Dr. Solf, Dr. Rathenau, Ministers Ebert, Noske, Preuss and Scheidemann, Count Brockdorff-Rantzau, and others.

A similar mission was sent to Central Europe under the leadership of Professor A. C. Coolidge, for which headquarters were established at Vienna. Papers relating to the establishment of this mission and certain of its earlier reports are here printed (II, 218-237).

The numerous territorial questions affecting the future of the new states of Central Europe were the subject of extended negotiations here amply illustrated by documents (II, 287-434).

The problems of the Far East—China's position at the Conference, the question of Shantung, and the disposition of the Pacific islands—were the subject of serious consideration in the period between the Armistice and the opening of the Conference, as the documents here printed will show (II, 489-530).

Financial questions included the building up of a staff of American financial experts for service at the Conference, the determination by the United States that the question of war debts should not be discussed at the Conference, and the matter of financing relief. These subjects are dealt with in a number of the papers included in the publication (II, 533-572).

Closely related was the question of reparation for war damages, which was to cause so

much difficulty at the Conference and in the following years. Very early appeared Colonel House's proposal for making an estimate of the damage done in France and Belgium, which resulted in the creation of the War Damages Board. Other views of American experts and suggestions for dealing with the question of war indemnities are here revealed by documents (II, 575-624).

The difficulties involved in the desperate food situation in much of Europe at the close of the war are illustrated in other papers (II, 627-725). The negotiations between the United States and the Allies leading to the establishment of the Supreme Council of Supply and Relief are the subject of many of the documents.

The question of the continuance of the blockade and of restrictions on trade was a

source of difficulty throughout the period under review. The considerations governing the policies followed are here illustrated by numerous documents (II, 729-795).

Foreign Relations of the United States: The Paris Peace Conference, 1919, volumes I and II were compiled by Dr. James S. Beddie, Dr. Morrison B. Giffen, and Mr. John W. Foley, Jr., under the direction of Dr. E. Wilder Spaulding, Chief of the Division of Research and Publication, and Dr. Ernest R. Perkins, Chief of the Research Section of that Division.

Copies of these volumes will be available shortly and may be obtained from the Superintendent of Documents. The price of volume I, lxvi and 575 pages, is \$1.25, and that of volume II, lxxxiv and 812 pages, is \$1.50.

TREATIES AND OTHER INTERNATIONAL ACTS, VOLUME 7

[Released to the press December 21]

Advance copies of volume 7 of *Treaties and Other International Acts of the United States of America*, edited by Dr. Hunter Miller and published by the Department of State, were received by the Department on December 21 from the Government Printing Office. The preceding volume of this edition was issued in June 1942. The present volume, containing 28 international acts, continues the chronologically arranged series from January 1855 to July 1858.

Probably the most noteworthy document in the volume is the Treaty of Amity and Commerce of July 29, 1858, with Japan. For the first time in United States treaty compilations the full text of this document is printed: the treaty proper and annexed regulations, together with the convention of March 19, 1859 for postponement of the exchange of ratifications, all in the three languages of agreement, English, Japanese, and Netherlandish. The editorial notes include a detailed account of the negotiations compiled from the records of the Department of State, the published diary of Townsend Harris, Plenipotentiary of the United States, and the Harris papers in possession of the College of the City of New York; an account of the

first Japanese mission to the United States, in 1860, for the purpose of exchanging the ratifications of the treaty, based on the archives of the Department supplemented by contemporary newspapers; a reprint of certain Japanese records of the negotiations which were published in the 1879 volume of *Foreign Relations of the United States*; and 68 pages of further Japanese records of the negotiations which were obtained in recent years and translated by Mr. Eugene H. Dooman, of the American Foreign Service. This treaty was one of three signed by Townsend Harris in the course of his mission to the Far East; the others, which also appear in the present volume, are the treaty of May 2, 1856 with Siam (Thailand), made while our Envoy was en route to Japan, and the convention of June 17, 1857 with Japan, the provisions of which, supplementing those of Commodore Perry's famous treaty of 1854, were in large part superseded by the treaty of 1858.

Another interesting document is the convention of April 11, 1857, with Denmark, for the discontinuance of the tolls, known as the "Sound dues", levied by Denmark during a period of more than four centuries on all shipping between the North Sea and the Baltic. The stor-

of the negotiation, including the part played by the United States in the termination of those tolls, is related in full in the editorial notes.

The Treaty of Friendship and Commerce of December 13, 1856, with Iran (Persia), the first agreement between the United States and that nation to go into force, continued in effect until 1928. The Persian version is reproduced in facsimile. The French version and an English translation of an earlier treaty, signed on October 9, 1851, which failed of ratification on the part of Iran, are printed in the editorial notes. Also in those notes are translations into English by Dr. Muhammed A. Simsar, of Philadelphia, of the Iranian instrument of ratification and certain other relevant papers.

A vast amount of material relating to the negotiation and subsequent history of the Treaty of Peace, Amity, and Commerce between the United States and China, signed at Tientsin on June 18, 1858, is available in print. The present volume contains the two versions of the treaty text, English and Chinese, and editorial notes reviewing the negotiations and history, based primarily on the Department's records but with numerous citations of published sources.

Twelve agreements in volume 7 have not heretofore been included in United States treaty collections, and most of them have not been previously available in print. Of particular interest are the exchange of notes of February 1 and June 28, 1855, with Spain, for the settlement of the case of the steamer *Black Warrior*, an intrinsically unimportant affair which developed into one of grave international concern; the exchange of notes of August 3 and 7, 1855,

with France, for the adjustment of the case of Patrice Dillon, Consul of France at San Francisco, an episode which at the time evoked widespread comment and prolonged diplomatic discussions; the engagement imposed upon Thakombau, styled "King of Fiji", under date of October 23, 1855, to pay certain claims which had been arbitrarily determined by an American naval officer in the sum of \$45,000, the editorial notes to which comprise a survey of relations of the United States with Fiji from their commencement to 1870; the exchange of notes of June 10 and December 26, 1857, with France, for the settlement of the case of the brig *Esmeralda*, the earliest known instance of adjustment of a particular claim *against* the United States by an agreement specifically and exclusively for that purpose.

Other features of the volume are a monograph on the "peace-and-friendship clauses" of certain treaties of the United States with other American republics, which forms part of the editorial notes to the Treaty of Peace, Friendship, Commerce, and Navigation of May 13, 1858, with Bolivia; an account of the extradition proceedings, arising from frauds on the Northern Railway Company of France, which the French Minister at Washington assigned as reasons for the conclusion of the additional article of February 10, 1858; and a 17-page bibliography of the writings cited in the volume.

Volume 7 (xxvii, 1,170 pages) will be available shortly. It may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., at a price of \$4 a copy, including postage.

PUBLICATIONS ISSUED DURING THE LAST QUARTER

During the quarter beginning October 1, 1942 the following publications have been released by the Department:¹

1756. Digest of International Law, by Green Haywood Hackworth, Legal Adviser of the Department of State. Vol. IV, chs. XII-XV. vi, 949 pp. \$2.50.

1768. The Territorial Papers of the United States: The Territory of Michigan, 1805-1820. Vol. X. xii, 948 pp. \$2 (cloth).

1791. Treaties and Other International Acts of the United States of America, edited by Hunter Miller. Vol. 7, Documents 173-200: 1855-1858. xxviii, 1170 pp. \$4 (cloth).

1796. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and

¹Serial numbers which do not appear in this list have appeared previously or will appear in subsequent lists.

- Poland—Signed at Washington July 1, 1942; effective July 1, 1942. Executive Agreement Series 257. 3 pp. 5¢.
1797. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and the Netherlands, and Exchange of Notes—Agreement signed at Washington July 8, 1942; effective July 8, 1942. Executive Agreement Series 259. 6 pp. 5¢.
1798. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Greece—Signed at Washington July 10, 1942; effective July 10, 1942. Executive Agreement Series 260. 3 pp. 5¢.
1802. Detail of Military Officer To Serve As Director of the Polytechnic School of Guatemala: Agreement Between the United States of America and Guatemala Extending the Agreement of May 27, 1941—Effectuated by exchanges of notes signed June 9 and 22 and July 21, 1942; effective from May 27, 1942. Executive Agreement Series 264. 3 pp. 5¢.
1804. The Department of State Bulletin, vol. VII, no. 169, September 19, 1942. 20 pp. 10¢.¹
1805. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Czechoslovakia—Signed at Washington July 11, 1942; effective July 11, 1942. Executive Agreement Series 261. 4 pp. 5¢.
1806. Reciprocal Trade: Agreement Between the United States of America and Ecuador Modifying the Agreement of August 6, 1938—Effectuated by exchange of notes signed March 2, 1942. Executive Agreement Series 248. 5 pp. 5¢.
1807. Military Mission: Agreement Between the United States of America and Colombia—Signed May 29, 1942; effective May 29, 1942. Executive Agreement Series 250. 12 pp. 5¢.
1808. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and the Union of Soviet Socialist Republics, and Exchange of Notes—Agreement signed at Washington June 11, 1942; effective June 11, 1942. Executive Agreement Series 253. 6 pp. 5¢.
1809. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Belgium—Signed at Washington June 16, 1942; effective June 16, 1942. Executive Agreement Series 254. 3 pp. 5¢.
1810. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Norway, and Exchange of Notes—Agreement signed at Washington July 11, 1942; effective July 11, 1942. Executive Agreement Series 262. 6 pp. 5¢.
1811. Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression: Preliminary Agreement Between the United States of America and Yugoslavia—Signed at Washington July 24, 1942; effective July 24, 1942. Executive Agreement Series 263. 4 pp. 5¢.
1812. The Department of State Bulletin, vol. VII, no. 170, September 26, 1942. 11 pp. 10¢.
1813. Commercial Relations: Agreement Between the United States of America and the Union of Soviet Socialist Republics Continuing in Force the Agreement of August 4, 1937, and Text of Agreement of August 4, 1937—Agreement effectuated by exchange of notes signed at Washington July 31, 1942; effective August 6, 1942. Executive Agreement Series 268. 8 pp. 5¢.
1814. Detail of Military Officer To Serve As Advisor to the Minister of Foreign Affairs of Panama: Agreement Between the United States of America and Panama—Signed July 7, 1942; effective July 7, 1942. Executive Agreement Series 258. 10 pp. 5¢.
1815. Papers Relating to the Foreign Relations of the United States: The Paris Peace Conference, 1919. Vol. I. lxiii, 575 pp. \$1.25 (cloth).
1816. The Proclaimed List of Certain Blocked Nationalities, Supplement 3, October 10, 1942, to Revision II of August 10, 1942. 17 pp. Free.
1817. The Department of State Bulletin, vol. VII, no. 171, October 3, 1942. 7 pp. 10¢.
1818. Diplomatic List, October 1942. ii, 101 pp. Subscription, \$1 a year; single copy, 10¢.
1819. Waiver of Passport Visa Fees: Agreement Between the United States of America and Argentina—Effectuated by exchange of notes signed April 15, 1942; effective June 1, 1942. Executive Agreement Series 266. 5 pp. 5¢.
1820. Publications of the Department of State (a list cumulative from October 1, 1929). October 1, 1942. iv, 33 pp. Free.
1821. Military Mission: Agreement Between the United States of America and Bolivia—Signed August 11, 1942; effective August 11, 1942. Executive Agreement Series 267. 12 pp. 5¢.
1822. Repatriation and Hospitalization of Prisoners of War, Reciprocal Application of the Model Agreement Annexed to the Convention Signed at Geneva July 2, 1929: Arrangement Between the United States of America and Germany—Effectuated by exchange of notes

¹ Subscription, \$2.75 a year.

between the Secretary of State and the Minister of Switzerland at Washington, in charge of German interests, dated March 4 and 30, 1942. Executive Agreement Series 255. 2 pp. 5¢.

23. Papers Relating to the Foreign Relations of the United States: The Paris Peace Conference, 1919, Vol. II. lxxxii, 812 pp. \$1.50 (cloth).

24. The Department of State Bulletin, vol. VII, no. 172, October 10, 1942. 34 pp. 10¢.

25. The Department of State Bulletin, vol. VII, no. 173, October 17, 1942. 13 pp. 10¢.

26. The Proclaimed List of Certain Blocked Nationals, Supplement 4, October 30, 1942, to Revision III of August 10, 1942. 21 pp. Free.

27. The Department of State Bulletin, vol. VII, no. 174, October 24, 1942. 19 pp. 10¢.

28. The Proclaimed List of Certain Blocked Nationals: Revision IV, November 12, 1942, Promulgated Pursuant to Proclamation 2497 of the President of July 17, 1941. 269 pp. Free.

29. The Department of State Bulletin, vol. VII, no. 175, October 31, 1942. 26 pp. 10¢.

30. Foreign Service List, October 1, 1942. iv, 115 pp. Subscription, 50¢ a year; single copy, 15¢.

31. Diplomatic List, November 1942. ii, 106 pp. Subscription, \$1 a year; single copy, 10¢.

32. The Department of State Bulletin, vol. VII, no. 176, November 7, 1942. 11 pp. 10¢.

33. The Proclaimed List of Certain Blocked Nationals: Cumulative Supplement No. 1, November 20, 1942, Containing Additions, Amendments, and Deletions Made Since Revision IV, Dated November 12, 1942. 18 pp. Free.

34. The Department of State Bulletin, vol. VII, no. 177, November 14, 1942. 31 pp. 10¢.

35. Boundaries of the Latin American Republics: An Annotated List of Documents, 1493-1825 (Tentative Version). vi, 76 pp. 15¢.

37. Exchange of Official Publications: Agreement Between the United States of America and Iceland—Effectuated by exchange of notes signed August 17, 1942; effective August 17, 1942. Executive Agreement Series 269. 5 pp. 5¢.

38. The Department of State Bulletin, vol. VII, no. 178, November 21, 1942. 26 pp. 10¢.

3. Principles Applying to the Provision of Aid in the Prosecution of the War: Agreement Between the United States of America and Australia—Effectuated by exchange of notes signed at Washington September 3, 1942. Executive Agreement Series 270. 4 pp. 5¢.

3. Principles Applying to the Provision of Aid in the Prosecution of the War: Agreement Between the United States of America and Australia—Effectuated by

exchange of notes signed at Washington September 3, 1942. Executive Agreement Series 271. 4 pp. 5¢.

1844. Principles Applying to the Provision of Aid in the Prosecution of the War: Agreement Between the United States of America and New Zealand—Effectuated by exchange of notes signed at Washington September 3, 1942. Executive Agreement Series 272. 3 pp. 5¢.

1845. The Department of State Bulletin, vol. VII, no. 179, November 28, 1942. 15 pp. 10¢.

1846. Diplomatic List, December 1942. ii, 103 pp. Subscription, \$1 a year; single copy, 10¢.

1849. The Department of State Bulletin, vol. VII, no. 180, December 5, 1942. 14 pp. 10¢.

1850. The Department of State Bulletin, vol. VII, no. 181, December 12, 1942. 15 pp. 10¢.

1851. The Proclaimed List of Certain Blocked Nationals: Cumulative Supplement No. 2, December 18, 1942, Containing Additions, Amendments, and Deletions Made Since Revision IV of November 12, 1942. 31 pp. Free.

1852. The Department of State Bulletin, vol. VII, no. 182, December 19, 1942. 10 pp. 10¢.

Treaty Information

COMMERCE

Trade Agreement With Mexico

On December 23, 1942 a reciprocal trade agreement between the United States and Mexico was signed at Washington by the Secretary of State of the United States, the Honorable Cordell Hull, and the Mexican Ambassador in Washington, His Excellency Señor Dr. Don Francisco Castillo Nájera. The text of the agreement and accompanying schedules will be printed in the Executive Agreement Series.

An analysis of the general provisions and reciprocal benefits under the trade agreement was released to the press December 23 and will be issued as a supplement to this issue of the BULLETIN.

EDUCATION

Pan American Institute of Geography
And History*Venezuela*

By a letter dated December 11, 1942 the Director General of the Pan American Union informed the Secretary of State that on December 9, 1942 His Excellency the Ambassador of Venezuela in the United States, Señor Dr. Diógenes Escalante, deposited with the Pan American Union the instrument of ratification

by the Government of Venezuela of the Resolution on the Establishment of the Pan American Institute of Geography and History, approved by the Sixth International Conference of American States, held at Habana January 16 - February 20, 1928.

The Government of Venezuela has considered it necessary to ratify the above-mentioned resolution in view of the fact that a financial obligation is involved for the national treasury with respect to the maintenance of the Institut

U. S. GOVERNMENT PRINTING OFFICE: 1942

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DECEMBER 26, 1942, SUPPLEMENT
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Trade Agreement With Mexico

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NOTE

This information has been prepared by representatives of the Department of State, the Department of Agriculture, the Department of Commerce, the Department of the Treasury, and the Tariff Commission. These Government agencies, under the reciprocal-trade-agreements program, cooperate in the formulation, negotiation, and conclusion of all trade agreements entered into by the United States under the provisions of the Trade Agreements Act of 1934, as extended by joint resolutions of Congress of March 1, 1937 and April 12, 1940.

Trade Agreement With Mexico

ANALYSIS OF GENERAL PROVISIONS AND RECIPROCAL BENEFITS

[Released to the press December 23]

I. SIGNATURE OF AGREEMENT

A reciprocal trade agreement between the United States and the Republic of Mexico, negotiated under the authority of the Trade Agreements Act, was signed December 23, 1942 at Washington by the Honorable Cordell Hull, Secretary of State of the United States, and His Excellency Señor Dr. Don Francisco Castillo Nájera, Ambassador of Mexico. The text of the agreement will be printed shortly in the Executive Agreement Series.

The agreement will enter into force 30 days after its proclamation by the President of the United States and the President of Mexico, or, if the proclamations are not made on the same day, 30 days after the one later in time. It will remain in force for a period of 3 years from its effective date unless terminated earlier, under special circumstances, in accordance with its own provisions. If by the end of the 3-year period neither Government has given 6 months' notice to the other of intention to terminate the agreement, it will continue in force thereafter subject to termination on 6 months' notice or under special circumstances in accordance with its own provisions.

The agreement is designed to facilitate trade between the United States and Mexico during the existing emergency and to provide an improved basis for expansion of that trade after the war. The reciprocal benefits for which it provides include tariff reductions and bindings of existing customs treatment on specified products imported from the other country, while the general provisions of the agreement include mutual assurances of non-discriminatory trade treatment.

Total trade between the United States and Mexico was valued at \$251,601,000 in 1929, declined to \$68,237,000 in the depression year 1933, and rose again to \$169,570,000 in 1937. After a recession to \$111,046,000 in 1938 the figure increased to \$139,443,000 in 1939 and, in part as a result of the war, to \$172,721,000 in 1940.

From 1931 through 1940 United States exports to Mexico were greater in value than merchandise imports from that country, by an average amount of \$18,520,000 a year, although in 1932 the United States balance was on the import side. In 1940 United States exports to Mexico exceeded imports from that country by a value of \$21,161,000. In the decade 1931-40 United States exports to Mexico had an annual average value of \$67,005,000 and imports from Mexico an annual average value of \$48,485,000. In 1940 United States exports to Mexico were valued at \$96,941,000 and imports from that country at \$75,780,000.

United States exports to Mexico usually consist primarily of manufactured and processed articles, while imports from Mexico are principally raw materials and crude and manufactured foodstuffs. In 1939 trade conditions were more nearly normal than since that year, when they have been affected by the war. Of total United States domestic exports to Mexico in that year, valued at \$80,800,000, automobiles, parts, and accessories accounted for \$12,829,000; industrial machinery, \$7,330,000; chemicals and related products, \$7,102,000; vegetable food products and beverages, \$4,332,000; wood and paper products, \$3,403,000; textile fibers and manufactures, \$3,395,000; aircraft and parts, \$3,240,000; and inedible vegetable products, \$2,505,000.

Total United States merchandise imports from Mexico for consumption were valued in 1939 at \$54,432,000, of which copper for smelting, refining, and export accounted for \$7,382,000; bananas, for \$6,310,000; cattle, \$5,937,000; coffee, \$4,670,000; lead for smelting, refining, and export, \$4,702,000; chicle, \$3,820,000; sisal and henequen, \$3,498,000; and crude petroleum for manufacture in bond and export, \$2,343,000.

II. SUMMARY OF AGREEMENT

The United States and Mexico, in the agreement, grant reciprocal tariff concessions on their imports from each other. These concessions cover a substantial portion of the trade between the two countries and reduce barriers which heretofore have hampered the exchange of their products. The concessions take the various forms of reductions in specified customs duties, bindings of certain duties against increase, and general assurances of nondiscriminatory trade treatment.

A. CONCESSIONS OBTAINED BY THE UNITED STATES

Tariff concessions obtained from Mexico and specified in Schedule I of the agreement apply to many United States agricultural and industrial products which are important among Mexican imports from this country. Such concessions affect 203 items in the Mexican tariff. Duties under 76 items are reduced, and existing customs treatment of 127 additional items, including six which cover duty-free imports into Mexico, is bound in the agreement against changes to the disadvantage of United States exporters to Mexico.

Mexican imports from the United States of products on which concessions have been made were valued in 1939 at \$23,413,000,¹ or 29.2 percent of total Mexican imports from the

¹ Import values employed by Mexico and used in this analysis are invoice values c.i.f. Mexican ports as stated in "Anuario Estadístico del Comercio Exterior de los Estados Unidos Mexicanos . . ." Annual average conversion rates for the Mexican peso were: 19.3 cents for 1939 and 18.52 cents for 1940.

United States in that year, which was the last before the war disrupted the operation of normal trade factors. In 1939 Mexican imports of United States products on which duty reductions are made in the agreement, were valued at \$11,113,000, or 13.9 percent of total imports into that country from the United States in that year.

Mexico imported from the United States in 1939 products on which existing customs treatment is bound, to the value of \$12,300,000 or 15.3 percent of that country's total imports from the United States in that year. Bindings of Mexican tariff rates against increase are a significant advantage to United States exporters because in recent years many such rates have been considerably increased.

Not only have Mexican customs duties been reduced through the agreement, or assurances given against their increase, but certain customs regulations and formalities have been removed or simplified. Furthermore, the general provisions of the agreement bind against increase all charges in connection with importation of scheduled articles into Mexico, including existing duty surtaxes of 3 percent on imports by freight and 10 percent on imports by parcel post.

B. CONCESSIONS ON IMPORTS INTO THE UNITED STATES

In the agreement the United States grants concessions of various kinds on specified Mexican products imported into this country. These concessions, set forth in Schedules II and III of the agreement, are given in return for advantages obtained for United States exports to Mexico. They include reductions in certain United States tariff rates, binding of other existing rates against increase and other modifications of existing customs treatment to facilitate imports from Mexico.

Tariff reductions by the United States are in some cases reductions from rates specified in the Tariff Act of 1930 and in other cases further reductions from rates already modified in previous trade agreements. The agreement also binds certain concessions provided for in

previous agreements. In some cases there have been changes in existing trade-agreement provisions for reduced-duty import quota.

Concessions granted by the United States affect certain important mineral, chemical, and other products now in particularly heavy demand because of the war; foodstuffs not produced in the United States or needed to supplement domestic supplies either the year round or in off-seasons; and special and distinctive Mexican products many of which are imported because of their artistic quality.

Rates of duty specified in Schedule II are to remain in effect throughout the life of the agreement unless modified or terminated earlier in accordance with its provisions. Those included in Schedule III may be modified or terminated by the United States, on 6 months' written notice to the Government of Mexico, at any time after termination of the unlimited national emergency proclaimed by the President of the United States on May 27, 1941. However, after the termination of the emergency, no such duty rate may be increased above the level in effect on the date of the signature of the agreement.

Concessions made by the United States in the agreement apply to products involving paragraphs of the Tariff Act of 1930. Of these, tariff reductions affect 53 paragraphs and bindings of existing treatment affect 42 paragraphs, of which 29 relate to products which are duty-free.

Merchandise imports from Mexico into the United States for consumption totaled \$54,000,000 in 1939. Of these imports, dutiable products were valued at \$14,082,000, while those duty-free were valued at \$40,350,000¹ or 74.8 percent of the total. Concessions made in the United States in the agreement, including both duty reductions and bindings, apply to products which accounted for a value of \$35,231,000 or 64.7 percent of the total 1939 imports from Mexico.

¹Of the duty-free imports from Mexico, \$14,427,000 were accounted for by lead and copper imported for smelting, refining, and export and by crude petroleum imported for manufacture in bond and export.

Products on which United States tariffs are reduced were imported from Mexico in 1939 to a value of \$8,945,000 or 16.4 percent of the total imports from that country in that year. The reductions provided for in Schedule II of the agreement apply to products which in 1939 accounted for a value of \$8,753,000 or 16.1 percent of the total imports. Reductions provided for in Schedule III of the agreement apply to commodities which in 1939 were valued at \$192,000, or 0.3 percent of total imports from Mexico. The reductions result in rates of duty lower than those specified in the Tariff Act of 1930 or in previous trade agreements.

Bindings of existing tariff and customs treatment apply to products of which 1939 imports from Mexico were valued at \$26,286,000 or 48.3 percent of the total. Of this amount, products now bound on the United States free list accounted for \$22,581,000 or 41.5 percent of the total value of merchandise imports from Mexico in 1939.

C. GENERAL PROVISIONS OF THE AGREEMENT

The general provisions of the agreement provide for putting into effect the tariff concessions listed in the schedules annexed to the agreement. They also include most-favored-nation provisions assuring that tariff concessions accorded by either country to any third country will be extended immediately, to the other party to the agreement. The customary exception regarding special trade relations between the United States and Cuba is included.

The provisions of the agreement extend the principle of non-discriminatory trade treatment in general to measures of various kinds relating to exchange control and import restrictions. The exchange-control provisions provide in general that imports of any article into either country from the other shall be accorded, in regard to restrictions or delays on payments, and rates of exchange, treatment no less favorable than that accorded to imports of the like article from any third country. Likewise the agreement contains reciprocal

assurances of non-discriminatory treatment in the application by either country to imports from the other of import quotas, prohibitions, and other forms of restrictions on imports. It provides that in general the share of either country in any allocated quota shall be based upon the proportion of the total imports of the product subject to quota that had been supplied by the other country in a representative period.

III. ANALYSIS OF CONCESSIONS OBTAINED ON EXPORTS OF UNITED STATES PRODUCTS

The following paragraphs indicate the scope and nature of concessions obtained on exports of United States products to Mexico included in Schedule I of the agreement.

AGRICULTURAL PRODUCTS

Animals and Animal Products

Cattle—Imports of cattle for breeding, other than milch cows, are admitted to Mexico duty-free and their duty-free status is bound in the agreement. Such imports from the United States were valued at \$146,000 in 1939 when the United States supplied 100 percent of the total, and at \$140,000 in 1940.

Lard—Under the agreement the customs tariff rates on imports of hog lard into Mexico from the United States are reduced by 22 percent. Such imports have recently increased and in 1940 were valued at \$1,042,000, as compared with imports from all other sources valued at less than \$4,000. Mexico is one of the principal Latin-American markets for United States lard. In 1939 Mexican imports of lard from the United States, valued at \$563,000, made up practically all of the imports.

Stearic Acids—The duty on imports of stearic acids in cakes is bound in the agreement. In both 1939 and 1940 the United States was the principal supplier, the United States' share amounting to \$60,000 and \$96,000 in the respective years.

Tanned Hides—The Mexican duty on tanned hides, which covers most imports of rough and

finished leather, is bound against increase. These leathers are an important Mexican import from the United States, valued at about \$478,000 in 1939 and \$477,000 in 1940. The United States is an important supplier.

Meat Products—The Mexican duties on imports of meat sausages, cooked and uncooked ham, bacon, canned meats not specifically provided for, and canned meat foods (including those containing vegetables), are bound at the existing rates. In this category, ham is the item of principal importance to United States exporters. Imports of the above items from the United States were valued at \$89,000 in 1939 and \$113,000 in 1940. In 1939, 53 percent of total imports came from the United States.

Dairy and Poultry Products—The duties on fresh eggs, butter, and evaporated milk are bound. The rates on milk in powder or pastilles are reduced by 25 percent. Imports from Mexico of butter and evaporated and powdered milk from the United States were valued at \$94,000 in 1939 and \$99,000 in 1940.

The agreement provides for a separate customs classification for cheddar cheese and the duty is bound. In 1940 the United States succeeded the Netherlands as the principal supplier of cheese of all kinds imported in Mexico, but furnished only 15 percent in 1939. Most of the cheese exported to Mexico by the United States is cheddar. Imports of cheese of all types into that country from the United States were valued at \$24,000 in 1939 and \$51,000 in 1940.

Grains and Grain Products

Wheat and Wheat Flour—The Mexican duty on wheat is reduced by 40 percent and that on wheat flour is bound. The United States supplies practically all such imports into Mexico. Imports, which fluctuate widely depending upon Mexican production, were valued at \$1,324,000 in 1939 and dropped to about \$57,000 in 1940. When required by reason of domestic shortages, the Mexican Government subsidizes imports of wheat.

Barley Grain and Malt—The duty on barley in the grain is reduced by 20 percent. I

ports from the United States were valued at \$130,000 in 1939 and at \$106,000 in 1940. Mexico ordinarily imports, on the average, about 6 percent of its total requirements of barley, although the figure fluctuates with domestic production. Formerly nearly all imports came from the United States but in recent years Canada also has become an important supplier.

On imports of barley malt the duty is bound. Imports from the United States were valued at \$208,000 in 1939 and \$334,000 in 1940. Mexico normally produces 60 percent of its requirements.

Vegetables and Vegetable Products

The Mexican rate of duty on canned vegetable foods not specifically provided for (excluding canned vegetable juices and soups) is reduced by 20 percent. In 1939 the United States supplied 86 percent of total Mexican imports. On canned tomatoes and tomato sauce the duties are bound. On canned asparagus, the principal United States canned vegetable export to Mexico, the duty is reduced by 20 percent, and the duty on onions is reduced by 33 percent. Mexican imports from the United States of these food items were valued at \$105,000 in 1939 and \$91,000 in 1940. Cocoa butter constituted the largest single item among Mexican imports of vegetables and vegetable products from the United States in 1939 and 1940. Imports from the United States were valued at \$78,000 and \$118,000 in the two years, respectively. The duty on this item is bound at the existing rate.

Fruits and Nuts

Fresh Fruits—The duty on apples is reduced by 14 percent and those on pears, grapes, plums, peaches, and fresh fruits not specifically provided for are reduced by 29 percent. Imports of apples and grapes from the United States—the two principal items in this category—were valued at \$109,000 in 1939 and \$140,000 in 1940. The United States is the principal foreign supplier of these fruits.

Dried and Canned Fruits—The duty on raisins is reduced by 50 percent, that on raisins

by 38 percent, and that on sliced dried fruits by 75 percent. Imports of these products from the United States were valued at \$86,000 in 1939 and \$75,000 in 1940.

The rate of duty on canned fruits in syrups or in their juices is bound.

Walnuts—Heretofore, practically all varieties of nuts have been dutiable at the same rates. Under the agreement, separate tariff classifications are established for shelled walnuts and for unshelled walnuts, on which the duties are reduced by 20 percent and 25 percent respectively.

Tobacco

The Mexican duty on Virginia-type raw tobacco is reduced by 13 percent, and the duties on other raw tobacco (filler) and on cigarettes are bound. The United States supplies all or nearly all of the imports under the three classifications. Mexican imports from the United States under these items were valued at \$75,000 in 1939 and \$86,000 in 1940. Imports ordinarily average less than 1 percent of domestic production in Mexico.

Other Agricultural Products

The duty on cottonseed is reduced by 25 percent. The United States has been the sole supplier of these imports, which were valued at \$121,000 in 1939 and \$93,000 in 1940. Ordinarily only about 1 percent of Mexican requirements are imported.

The rate of duty on hops is reduced by 29 percent. In 1939 Mexican imports from the United States were valued at \$297,000, or 78 percent of the total.

The rate of duty on unhulled oats is bound against increase and that on hulled oats, including oatmeal, is reduced by one third. On cereal foods ready to be eaten, the duty is reduced by 19 percent.

The duty on hydrogenated animal fats is reduced by 22 percent.

BEVERAGES

The existing duty on extracts for making soft drinks is bound. Imports of these products

into Mexico from the United States in 1939 were valued at \$199,000 which represented 99 percent of total imports. In 1940 imports from the United States were \$432,000. The duty on extracts for making wines and liquors is also bound. The existing duties on bourbon and rye whiskies are reduced by percentages ranging from 45 to 55 percent, depending on alcoholic strength and the kind of containers in which these beverages are imported. Heretofore the United States has supplied only a small percentage of total Mexican imports of whisky. The duties on white, red, and full-bodied wines are bound at the present rates, and the Mexican tariff classifications applying to these wines are modified so as to reduce the duties on certain types of United States wines.

On fruit juices, including grape juice, and on fruit essences and synthetic products not containing alcohol, the rates of duty are bound against increase. Mexican imports of fruit juices and related products from the United States were valued at \$59,000 in 1939 and at \$95,000 in 1940, with the United States supplying from 55 percent to 100 percent of total imports of different types in 1940.

CANNED FISH

The existing duties on canned salmon and canned sardines are bound against increase.

INDUSTRIAL PRODUCTS

Motor Vehicles, Parts, and Accessories

Mexican imports of automotive vehicles (assembled), parts, and accessories from the United States were valued at \$6,632,000 in 1939 and at \$6,988,000 in 1940. In most years Mexico is one of the important foreign markets for United States automobiles.

Passenger Automobiles.—The duty on automobiles is 250 pesos each on the smaller types and 700 pesos each on types with more than four but not over eight cylinders and having a capacity of up to nine passengers. The duty on automobiles with more than eight cylinders and for any number of passengers is 2,000

pesos each. These rates are bound in the agreement.

Almost all Mexican imports of passenger cars, except the smaller types with not more than four cylinders, came from the United States in 1939, as did 77 percent of the smaller cars.

Mexican imports of assembled passenger automobiles from the United States were valued at \$3,066,000 in 1939 and at \$3,592,000 in 1940.

Trucks, Busses, and Tractors.—The duties on trucks are 100 pesos each on those with not more than four cylinders and 300 pesos each on those exceeding four cylinders, which rates are bound in the agreement.

The duty on busses is reduced by 20 percent to 1600 pesos each, and that on tractors of all kinds is reduced by 33 percent. By far the larger proportion of Mexican imports of trucks, busses, and tractors in 1939 were from the United States. The value of assembled truck imports was \$1,134,000 in 1939 and \$892,000 in 1940; that of assembled busses was \$24,000 in 1939 and \$22,000 in 1940; that of tractors was \$498,000 in 1939 and \$675,000 in 1940.

Chassis and Parts.—The Mexican duty on automobile chassis of more than four cylinders, not specified, is bound at 100 pesos each. Mexican imports of assembled chassis in 1939 were valued at \$463,000 and in 1940 at \$279,000, with the United States supplying 99 percent in 1939. Repair parts for automobile chassis and bodies under two general items of the Mexican tariff are accorded a 50-percent reduction in existing rates. The rate on automobile motors and their parts and repair pieces is reduced by 33 percent.

Pneumatic rubber tires weighing up to 10 kilograms each are accorded a duty-reduction of 20 percent. The duty on tires weighing over 10 kilograms each is bound. The duty on tires for tractors and agricultural equipment is reduced by 40 percent. The rate on wheels equipped with pneumatic tires is reduced by 20 percent and that on wheels not so equipped by 25 percent.

Concessions on chassis, parts, and accessories affect items of which Mexican imports from the United States were valued at \$1,910,000 in 1939 and at \$1,807,000 in 1940. Except in the case of one small item the United States supplied 87 percent or more of these articles in 1939.

Machinery and Appliances

Mexican tariff rates on two general items covering both light and heavy machinery are reduced by 50 percent. The two classifications cover important types of machinery for use in mines, quarries, oil wells and refineries, and sugar refineries. Imports from the United States into Mexico of machinery covered by the two items were valued at \$1,510,000 in 1939 and at \$1,895,000 in 1940. They represented well over 70 percent of total Mexican imports of such machinery in 1939.

The present rates of duty on rubber belting for machinery and on packing for machinery are bound against increase. Imports into Mexico of rubber belting from the United States were valued at \$135,000 in 1939 and at \$136,000 in 1940. In 1939 they made up 72 percent of total Mexican imports of such belting. Imports into Mexico from the United States of packing for machinery were valued at \$140,000 in 1939 and at \$168,000 in 1940. In 1939 they constituted 93 percent of total Mexican imports of this product. Duties on spark plugs and pistons for combustion motors are reduced by 50 percent and by 10 percent, respectively. Mexican imports of these two items from the United States were valued at \$55,000 in 1939 and \$154,000 in 1940.

Existing Mexican duties on threshing machines of all kinds are reduced by 50 percent. Mexican imports of such machines from the United States were valued at \$229,000 in 1939 and at \$153,000 in 1940. In the former year they constituted total imports.

The existing duty on sewing machines operated by pedals or cranks is reduced by 50 percent. Mexican imports of such machines from the United States were valued at \$416,000 in

1939 and at \$635,000 in 1940. In the former year they made up 78 percent of total Mexican imports.

Office Appliances—The duties on calculating machines and duplicating machines are reduced by 50 percent and on cash registers, by 33 percent. The rate on typewriters is bound against increase. Mexican imports of these appliances were valued at \$714,000 in 1939 and at \$841,000 in 1940. In the former year the United States supplied, of total imports, 96 percent of the cash registers, 75 percent of the calculating machines, 79 percent of the duplicating machines, and 76 percent of the typewriters.

Electrical Equipment and Apparatus

Radio Apparatus—Tariff rates on radios and on combination radios and phonographs are reduced by 17 percent and the rates on tubes and on radio parts by 40 percent and 50 percent, respectively. Since 1929 United States exports of radio equipment to Mexico have been an important item of trade and have supplied the major portion of the demand in that country. Imports of radio equipment from the United States into Mexico were valued at \$1,482,000 in 1939 and at \$1,765,000 in 1940. In 1939 the United States supplied more than 80 percent, in each case, of total Mexican imports of radios, combination radios and phonographs, radio tubes, and radio parts.

Passenger Elevators and Equipment—Existing Mexican duties on passenger elevators and equipment for operating them are reduced by 67 percent. Mexican imports of such apparatus from the United States were valued at \$49,000 in 1939 and at \$135,000 in 1940. In 1939 the United States supplied 93 percent of all such imports.

Other Electrical Equipment—The existing duty on electric fans and ventilators weighing up to 20 kilograms each is reduced by 38 percent, and that on electric lamps, lanterns, and beacons and on reflectors, shades, and stands therefor is reduced by 17 percent. Duties on electric irons, stoves, and dry cells, and on fluorescent lamps, are bound against increase.

Mexican imports from the United States of articles under these classifications were valued at \$157,000 in 1939 and at \$203,000 in 1940. In the former year the United States supplied from 53 percent to 99 percent of the articles enumerated in these tariff items.

Textiles and Textile Manufactures

Cotton Textiles and Manufactures—Mexican imports of cotton tire fabric from the United States were valued at \$593,000 in 1939 and at \$486,000 in 1940. The duty on this fabric is reduced by 25 percent.

The rates of duty on cotton cloth, oiled, waxed, or prepared with pyroxylin, are bound in the agreement. Imitation leather is the most important single product in this group. Mexican imports from the United States under this classification were valued at \$121,000 in 1939 and at \$136,000 in 1940. In 1939 they represented 86 percent of the total.

Rates of duty on cotton cloth, not of plain weave, under two tariff classifications differentiated by the weight of the cloth are bound against increase. Mexican imports of cloth under these two classifications come almost entirely from the United States, from which imports were valued at \$93,000 in 1939 and \$221,000 in 1940.

On imports of cotton velvet and cotton corduroy, Mexican tariff rates are bound, as are the rates on men's and boys' cotton underwear and shirts and on ready-to-wear apparel of cotton cloth of plain or fancy weave. Mexican imports of the above products are supplied largely by the United States and such imports from this country were valued in 1939 at \$161,000 and in 1940 at \$224,000.

The cotton-textile industry is one of the oldest and most highly developed in Mexico. In 1939 there were 175 factories manufacturing cotton textiles, which number increased to 194 in 1940. The principal items of cotton manufacture are percales, colored cloth, white fabrics, flannels, and quilts and comforts.

Wool and Other Textiles—Mexico is the principal export market for United States

wool carpets, taking almost half of the total exports from this country. Imports of such carpets into Mexico from the United States in 1939 were valued at \$132,000 and in 1940 at \$182,000. Present duties on two classifications are bound. The Mexican rate of duty on wool velvet weighing more than 400 grams per square meter is reduced by 10 percent.

Duties on ready-to-wear apparel of wool and other animal fibers, except silk, under three different tariff classifications are bound against increase. The United States supplied the bulk of Mexican imports under these classifications in 1939 when such imports from this country were valued at \$60,000. The rates on knitted hosiery and socks of silk or of a mixture of silk and other fibers are also bound. On linoleum the existing duty is reduced by 50 percent. Imports of linoleum from the United States were valued at \$34,000 in 1939 and \$66,000 in 1940. In 1939 the United States supplied 70 percent of the total.

Non-Metallic Minerals and Manufactures Thereof

Petroleum Products—A binding of Mexican duties on mineral wax and paraffin applies to imports from the United States valued at \$683,000 in 1939 and \$960,000 in 1940. In both years the United States supplied almost all mineral wax and paraffin imports into Mexico.

Existing rates of duty on three classifications of lubricating greases are bound against increase. Under these duties the United States has supplied a very large proportion of total Mexican imports of these products. Imports from the United States were valued at \$125,000 in 1939 and \$170,000 in 1940.

Refractory Clay, Related Products, and Cement—The United States supplied almost all refractory clay and refractory brick and tile imported into Mexico in 1939. Such imports from the United States were valued at \$360,000 in 1939 and \$401,000 in 1940. Mexican duties on these products are bound. Rates of

bathroom fixtures of clay, china, and porcelain, are also bound against increase. Mexican imports of these products from the United States were valued at \$224,000 in 1939 and \$288,000 in 1940. Mexican imports from the United States of cement were valued at \$17,000 in 1939 and \$40,000 in 1940, and the Mexican duties on cement and on faience ware are bound.

Glassware—Imports from the United States of flat glass, mostly plate glass, were valued at \$139,000 in 1939 and at \$190,000 in 1940. The duty on such glass is bound, as are those on two other classifications covering higher-priced glass articles. Mexico has an extensive glass industry which supplies the less expensive types.

Miscellaneous—The Mexican duty on sulphur is bound. Mexican imports from the United States of sulphur were valued at \$131,000 in 1939 and at \$119,000 in 1940. In 1939 they comprised 99 percent of the total. Natural or artificial gas, other than acetylene, for fuel or lighting, when imported in cylinders, drums, or tank cars, is bound on the free list.

Metals and Metal Manufactures

Refrigerators—The duty on automatic household refrigerators weighing up to 200 kilograms each is reduced by 20 percent and that on refrigerators weighing more than 200 kilograms each, by 22 percent. Imports of this type of refrigerator into Mexico from the United States were valued at \$426,000 in 1939 and at \$666,000 in 1940. Sales of refrigerators in Mexico have been increasing, and it is estimated that more than 25,000 units are now in use in that country.

Phonographs—Mexican tariff rates on phonographic apparatus of all kinds are reduced by 17 percent. Coin-operated phonographs make up the largest item in Mexican imports of this kind from the United States. In 1939 this country supplied 94 percent of the phonographs imported into Mexico. The duty on phonograph parts is reduced by 50 percent, and phonograph records are bound

duty-free. Mexican imports of phonographs, parts, and records from the United States were valued at \$376,000 in 1939 and at \$389,000 in 1940. In 1939 the United States supplied the largest share of such imports.

Miscellaneous Manufactures—The Mexican duty on iron and steel barbed wire was reduced on April 4, 1942, from 5 centavos per legal kilogram to $\frac{1}{2}$ centavo per gross kilogram, which rate is bound in the agreement. Mexican imports from the United States of barbed wire were valued at \$318,000 in 1939 and at \$353,000 in 1940. In 1939 the United States supplied 72 percent of the total. Rates on iron bathroom fixtures in two tariff classifications are reduced by 17 percent, and that covering non-electric stoves and heaters, weighing more than 40 but not more than 150 kilograms each, is reduced by 33 percent. The duty on razor blades is reduced by 8 percent.

Copper tubing and iron or steel cylinders for containing gas for fuel or lighting are bound duty-free, and the rates on iron and steel furniture and on certain sizes of iron and steel screws and rivets are bound against increase.

Mexican imports of the articles enumerated above (excluding barbed wire) were valued at \$325,000 in 1939 and \$475,000 in 1940.

Chemicals, Paints, and Related Products

Pharmaceutical Specialties and Chemicals—Existing duties on medicinal pills and tablets and on pharmaceutical specialties are bound against increase. The duty on cosmetics is reduced by 7 percent. Existing duties on bicarbonate of sodium and of potassium are reduced by 43 percent. Mexican imports of the foregoing products were valued at \$524,000 in 1939 and at \$627,000 in 1940.

The agreement also includes a provision against Mexico's requiring any certification or other formality for the importation, registration, licensing or sale of pharmaceutical specialties and patent medicines which cannot be fulfilled in the United States because of the lack of a duly authorized Federal Agency.

Paints, Varnishes, and Plastics—Rates of duty on prepared varnishes and paints are bound against increase. The duty on mixtures of alcohols and ethers to be used as ingredients of paints and varnishes is reduced by 40 percent. The Mexican imports from the United States of products affected by the above concessions were valued at \$403,000 in 1939 and \$477,000 in 1940. The duties on prepared floor wax and on polishes and stains for shoes and leather are bound at the present rates.

The rates of duty applicable to four tariff classifications covering articles manufactured from plastics are bound, as are those on certain plastic sheets, rods, and tubes imported for further manufacture.

MISCELLANEOUS MANUFACTURES

The duty on two types of shoes is bound against increase, as is the rate on woven-fabric pocketbooks and writing or brief cases oiled, rubberized, or waxed. The rate on tire-repair kits is reduced by 38 percent and that on fire extinguishers with up to six spare charges, by 50 percent. On printed, engraved, or lithographed calendars, catalogs, and advertisements, on loose sheets, the rates are bound against increase.

Motion Pictures and Photographic Apparatus

The existing rate of duty on motion-picture sound films is 20.00 pesos per legal kilogram in respect of imports not in excess of 100,000 meters in any calendar year and 40.00 pesos per legal kilogram on imports in excess of that quantity. Under the agreement the limitation on the quantity which may enter at the lower rate of duty is removed. Provision is also included which will permit the temporary entry of films under bond for preliminary showing and censorship without payment of duty if the films are reexported within 30 days without public showing.

The value of Mexican imports from the United States of motion-picture films under

the above tariff classification was \$259,000 in 1939 and \$281,000 in 1940.

The duty on unexposed photographic film, excluding unexposed motion-picture film, is bound at the present rate. Mexican imports from the United States of such film were valued at \$157,000 in 1939 and \$226,000 in 1940. In 1939 they accounted for 71 percent of total Mexican imports.

Rates on cinematographic apparatus and magic lanterns are reduced by percentages ranging from 17 percent to 50 percent, depending upon the weight of the unit. Mexican imports from the United States of such apparatus were valued at \$107,000 in 1939 and \$121,000 in 1940.

FOREST PRODUCTS

Lumber

The duties on construction lumber of pine and spruce and of ordinary wood not specifically classified under three Mexican tariff items, are bound at existing rates. Imports into Mexico from the United States of lumber under the above classifications were valued at \$301,000 in 1939 and at \$305,000 in 1940.

The duties on fiber insulating boards and wall boards, plywood, creosoted wooden timbers, wooden posts, and logs of ordinary wood are bound at existing rates. The rate on tongued and grooved or overlapped boards of ordinary wood is also bound against increase. Mexican imports of United States lumber under the above categories were valued at \$271,000 in 1939 and \$348,000 in 1940. In the former year they constituted almost all of such imports except for plywood from Japan.

Wood Furniture

On wood furniture covered by four Mexican tariff classifications, important to United States producers, the existing rates are bound. Imports of such furniture into Mexico from the United States were valued at \$158,000 in 1939 and \$281,000 in 1940. In 1939 they made up more than 92 percent of the total. Mexican

anks second to Canada as an export market
or United States furniture.

Paper and Paper Products

The existing rates of duty on certain types
f paper of the natural color of the pulp, and
nose on sanitary paper, paper towels, and
eansing tissues, are bound. Mexican imports
f these products from the United States were
alued at \$368,000 in 1939 and at \$431,000 in
940.

V. ANALYSIS OF INDIVIDUAL CONCESSIONS ON IMPORTS INTO THE UNITED STATES

The following section gives information
ith regard to products imported from Mexico
a which the United States makes concessions
eluded in Schedules II and III of the trade
reement.

SCHEDULE II ITEMS OF WHICH TOTAL UNITED STATES DUTIABLE IMPORTS IN 1939 WERE VALUED AT MORE THAN \$50,000

Details regarding trade in and supplies of
ditable products on which the United States
ants concessions and of which United States
ports, from all countries, were valued in
39 at more than \$500,000 are printed below.
ne numbers in parentheses refer to para-
aphs in the United States Tariff Act of 1930.

*zinc oxide and leaded zinc oxides containing
not more than 25 per centum of lead (par.
77)*

Under the Tariff Act of 1930, imports of
e oxide and leaded zinc oxides are dutiable at
cents a pound if in the form of dry pow-
r and at $2\frac{1}{4}$ cents per pound if ground in
mixed with oil or water. Under the agree-
ent with Mexico the duty is $1\frac{1}{10}$ cents on
ports in the form of dry powder and $1\frac{1}{2}$
ts on imports ground in or mixed with oil
water. In 1939 the ad valorem equivalent of
e duty was 39 percent on zinc oxide in the
m of dry powder and 26 percent on that
ound in or mixed with oil or water.

Imports amounted to 3,000,000 pounds in
1939 but declined in 1940 to less than 650,000
pounds. Production in the United States has
ranged from 175,000,000 to 440,000,000 pounds
a year and annual exports from this country
are several times greater than imports.

*Turpentine, gum and spirits of, and rosin
(par. 90)*

In the agreement with Mexico the duty on
gum and spirits of turpentine and on rosin
is reduced from 5 percent ad valorem to $2\frac{1}{2}$
percent. Imports in 1940 (nearly all from
Mexico) were approximately 1,000,000 pounds
of rosin and 800,000 gallons of turpentine,
compared with an annual average United
States production of about 1,000,000,000
pounds of rosin and 30,000,000 gallons of tur-
pentine. Roughly 30 percent of domestic
production is ordinarily exported.

Vanilla beans (par. 92)

Under the Tariff Act of 1930 the duty on
vanilla beans was 30 cents a pound. It was
reduced to 15 cents a pound in the trade agree-
ment with France, effective June 15, 1936.
The reduced rate is now bound in the agree-
ment with Mexico. In 1939 the ad valorem
equivalent of the 15-cent duty was 4 percent.
Imports amount to approximately 1,000,000
pounds a year, valued at from \$3,000,000 to
\$5,000,000.

Fluorspar (par. 207)

In the Tariff Act of 1930, fluorspar contain-
ing more than 97 percent of calcium fluoride
was dutiable at \$5.60 per long ton and that
containing 97 percent or less, at \$8.40 per long
ton. In the trade agreement with the United
Kingdom, effective January 1, 1939, the duty
on the higher-grade fluorspar was reduced by
25 percent to \$4.20 per ton. In the agreement
with Mexico the duty on the lower grade is
proportionately reduced to \$6.30 per ton, and
the rate of \$4.20 per ton on the higher grade
is bound against increase. In 1939 the duties

of \$4.20 and \$8.40 per long ton were equivalent to 16 percent and 100 percent ad valorem, respectively.

Imports containing not more than 97 percent of calcium fluoride now consist entirely of metallurgical spar, although small amounts of the ceramic grade formerly were included. Spar of the metallurgical grade is practically all used by the steel industry. Imports containing more than 97 percent calcium fluoride consist predominantly of acid-grade spar used in production of aluminum.

In 1937 imports of fluorspar amounted to 37,000 short tons, principally metallurgical spar, and supplied about 17 percent of United States consumption. Although United States requirements had greatly increased, imports had declined to 12,000 tons in 1940 and in the first 9 months of 1941¹ totaled only 7,000 tons, of which 4,000 tons were from Mexico. Although imports from Mexico were at first of the acid grade, that country is a larger potential source of metallurgical than of acid spar.

Graphite or plumbago, crude or refined: amorphous (par. 213)

The duty on amorphous graphite was reduced from 10 percent ad valorem to 5 percent in the trade agreement with the United Kingdom. The reduced rate is bound in the agreement with Mexico. Imports during 1940 totaled 48,000,000 pounds.

Onyx, in block, rough or squared only (par. 232a)

The duty on onyx was 65 cents per cubic foot under the Tariff Act of 1930 and was reduced to 32½ cents per cubic foot in the trade agreement with Argentina. This rate is now bound in the agreement with Mexico. The ad valorem equivalent of the 65-cent duty was 11 percent in 1939, in which year imports were

valued at \$102,000. There is no recorded production of onyx in the United States.

Lead (pars. 391 and 392)

The existing duties on lead are 1½ cents per pound on lead content for ores, matte, and flue dust, and 2½ cents per pound for lead in bullion, pigs, dross, and other forms. These rates are reduced by 50 percent in the agreement with Mexico, to ¾ cent per pound and 1¼ cents per pound, respectively, for the period ending 30 days after termination of the national emergency proclaimed May 27, 1941. Thereafter the rates will be 1½ cents per pound on ores, matte, and flue dust, and 1¼ cents per pound on lead in other forms.

In 1939 the 1½-cent duty on ores, matte, and flue dust was equivalent to 35 percent ad valorem and the 2½-cent duty was equivalent to 115 percent on pigs and bars and 45 percent on bullion and base bullion. From 1930 through 1938 imports averaged 23,000 short tons of lead a year. Nearly half of the total entered free in bond for smelting, refining, and reexport, and most of the remainder was used in manufactures subsequently exported with a refund of the duty. Virtually all United States requirements, amounting to from 260,000 to 440,000 short tons a year, were met from domestic supplies.

Since the beginning of 1939 United States production and imports of lead have both increased. The increase in imports has been much greater than that in domestic production. For the first time, imports now supply a substantial proportion of domestic consumption. In 1941 domestic production was 473,000 tons and imports during the first 9 months of the year were 310,000 tons, of which only 18,000 tons were offset by exports. The uses of lead are now restricted by the Government. A basic maximum price of 6½ cents a pound has been established by the Office of Price Administration with a premium price of 9¼ cents a pound for over-quota production paid by the Metal Reserve Company to domestic producers.

¹ For reasons of military security, export and import statistics for periods after September 1941 are held confidential.

undertakings to increase production have been entered into by the Metals Reserve Company with foreign as well as domestic lead producers. Much of the available foreign supply is imported free of duty for Government account.

Inc (pars. 393 and 394)

In the agreement with Mexico the rates on zinc covered by paragraphs 393 and 394 of the Tariff Act of 1930 are reduced, for the period ending 30 days after termination of the national emergency proclaimed May 27, 1941, to 50 percent of the rates specified in the Tariff Act of 1930. The resulting duties for the emergency period are: $\frac{3}{4}$ cent per pound on zinc in ore and scrap; $\frac{7}{8}$ cent per pound on zinc in blocks, pigs, or slabs and on zinc dust; 1 cent per pound on zinc sheets ($1\frac{1}{8}$ cents per pound if plated). Thereafter the rates in effect before conclusion of the Mexican agreement will be restored and bound against increase.

Imports are chiefly of zinc in ore and in slabs, on which two forms the duties were equivalent in 1939 to 62 percent and 46 percent ad valorem, respectively.

Before 1935 United States exports of zinc exceeded imports. A great part of the imports has always been of ores free in bond for smelting and reexports, and of ores or slabs used in manufacture of exported articles on which a tariff drawback was allowed. In 1938 imports amounted to 13,400 short tons and domestic production to 436,000 tons. Both have since increased progressively until in the first 9 months of 1941 imports totaled 161,800 tons and domestic production for the entire year was 659,000 tons. Nevertheless, supplies are equal to present requirements. Metallic zinc has been under complete allocation control by the War Production Board since June 1942. After several increases the price of zinc, which had averaged 5.11 cents a pound in 1939, was specially fixed in January 1942 at a maximum of 8.25 cents a pound. A premium price of

11 cents a pound for over-quota production is paid by the Metals Reserve Company to domestic producers. Undertakings to increase production have been entered into with foreign as well as domestic producers. A large proportion of the imports now enter this country duty-free for Government account.

Sawed lumber and timber not specifically provided for: pine (par. 401)

Under the agreement with Canada, imports of pine lumber were dutiable at reduced rates of 50 cents a thousand board feet, plus a tax of \$1.50 a thousand board feet on pine lumber other than northern white and Norway pine. These rates are bound against increase in the agreement with Mexico. In 1939 the duty on northern white and Norway pine lumber was equivalent to 2 percent ad valorem and the combined duty and tax on other pine lumber were equivalent to 8 percent ad valorem.

Imports in 1940 amounted to 128,000,000 board feet, mostly from Canada. Imports from Mexico totaled 5,000,000 board feet, principally Ponderosa pine. United States production of pine lumber averages 12 billion board feet a year, and more than 250,000,000 board feet per year are ordinarily exported.

Cattle (except dairy cows) (par. 701)

Under the Tariff Act of 1930 duties on beef cattle were $2\frac{1}{2}$ cents a pound on cattle weighing less than 700 pounds and 3 cents a pound on those weighing 700 pounds or more. As a result of successive changes under the two trade agreements with Canada, the duty on calves weighing less than 200 pounds each and that on cattle weighing 700 pounds or more were reduced to $1\frac{1}{2}$ cents a pound. Imports of calves at the reduced rate were limited to an annual quota of 100,000 head and imports of heavy cattle at the reduced rate to a quota of 225,000 head. Imports in excess of these quotas entered at the 1930 rates of duty. Light feeder-stock cattle weighing 200 pounds or

more, but less than 700 pounds each, remained dutiable at $2\frac{1}{2}$ cents a pound.

The Canadian agreements provide for allocation of the quota of 225,000 head of heavy cattle among Canada and other countries on the basis of past trade. To Canada was allocated 86.2 percent of the reduced-duty quota (193,950 head) and to other countries, of which Mexico was the only one affected, was allocated the remaining 13.8 percent (31,050 head).

In the agreement with Mexico the duty on cattle of all weights (except dairy cows) is reduced to $1\frac{1}{2}$ cents a pound without quota restrictions until the unlimited national emergency proclaimed May 27, 1941, has been terminated and the President has proclaimed the end of the abnormal trade situation with respect to cattle and meats. Thereafter imports of calves and of heavy cattle at the reduced rate will again be restricted to annual quotas of 100,000 head and 225,000 head, respectively, and imports of light feeder stock at the reduced rate will be restricted to an annual quota of 400,000 head. Imports of calves and of light feeder stock in excess of the quota will be dutiable as before at $2\frac{1}{2}$ cents a pound. The duty on imports of heavy cattle in excess of the quota will be reduced from 3 cents to $2\frac{1}{2}$ cents a pound.

Imports of cattle under the Canadian agreements—The quota of 100,000 head of calves was filled in 1939 and 1940, and almost filled during the first 9 months of 1941. Imports in excess of the quota totaled 13,000 head in 1939 and 9,000 in 1940. The reduced-duty quota of 225,000 head of heavy cattle was filled in 1939 and imports in excess of the quota were received from both Canada and Mexico. Imports of heavy cattle declined to 170,000 in 1940 and amounted to 137,000 head in the first 9 months of 1941. Smaller shipments of such cattle were received from Canada but those from Mexico were fairly well maintained, although nearly half of the imports from Mexico in 1940 and well over two-thirds of those in the first 9 months of 1941 were dutiable at the full rate of 3 cents a pound.

Ad valorem equivalents—The ad valorem equivalent of the duty on imports from Canada at the agreement rate amounted in 1939 to 18 percent for calves and 22 percent for heavy cattle. The ad valorem equivalents of the duties on imports from Mexico were very much higher because of the lower unit value of Mexican cattle and because a large proportion of these cattle entered at the full duty. On light feeder stock (200 to 700 pounds), which makes up the bulk of the imports from Mexico, the ad valorem equivalent of the duty was 80 percent in 1939. The trade-agreement rate on heavy cattle from Mexico was equivalent to 69 percent in 1939 and the full rate on such cattle was equivalent to 157 percent ad valorem.

Concession on light feeder cattle—Under the agreement with Mexico, light feeder stock imported for grazing and fattening in this country by United States farmers will enter at the reduced rate of $1\frac{1}{2}$ cents which formerly applied only to calves and heavy cattle, mostly imported for immediate slaughter. Upon expiration of the emergency the reduced-duty quota of 400,000 head a year of light feeder cattle, which is somewhat smaller than the maximum imports in the past, will prevent any extraordinary increase in post-war imports as a result of the duty-reduction.

Imports and domestic supply—Total imports of cattle in the three weight classes were 745,000 head in 1939; 621,000 in 1940; and 542,000 in the first 9 months of 1941. These imports averaged about 3 percent of the number of cattle and calves slaughtered annually in the United States. While imports declined during these years, annual slaughter increased from 24,000,000 in 1939 to 26,000,000 in 1941.

The number of cattle and calves on farms in the United States increased from 66,000,000 at the beginning of 1939 to 74,600,000 at the beginning of 1942. It is expected that by the beginning of 1943 the number will have increased by a million or more to the largest ever recorded. Some ranges are reported to be stocked beyond their normal grazing capacity.

Although cattle numbers are now at record

high levels, strong consumer demand in this country, together with requirements for the armed forces and for friendly countries, has resulted in an increase in the annual average price received by farmers for beef cattle from \$7.14 per 100 pounds in 1939 to \$8.80 in 1941. The average price on November 15, 1942, was \$11.39 per hundredweight, or 136 percent of the "parity" price. The annual average farm price for veal calves increased from \$8.40 per 100 pounds in 1939 to \$10.34 in 1941. On November 15, 1942 the average price was \$13.02 per hundredweight or 124 percent of the "parity" price.

Horses, unless imported for immediate slaughter, valued at not more than \$150 per head (par. 714)

The 1930 duty of \$30 each on horses imported under this paragraph was reduced to \$20 and then to \$15 in the two agreements with Canada. In the agreement with Mexico it is bound at \$15. In 1939 this rate was equivalent to 15 percent ad valorem. In 1940, horses imported into the United States under this paragraph numbered 5,384, of which 1,364 were from Mexico.

Mules, unless imported for immediate slaughter, valued at not more than \$150 per head (par. 714)

The duty on mules imported under this paragraph is reduced by 50 percent, in the agreement with Mexico, from the 1930 rate of \$30 each, to \$15 each. In 1939 the \$30 rate was equivalent to 110 percent ad valorem. In 1940 imports of mules into the United States numbered 275, most of them from Mexico.

White sea bass or totoaba (par. 717 (a))

The duty on white sea bass or totoaba (included in the classification "fish, fresh or frozen, not specially provided for") is reduced from 1 cent a pound under the Tariff Act of 1930 to 1/2 cent a pound in the agreement with Mexico. Such imports are believed to constitute the bulk

of dutiable imports of fresh or frozen fish from Mexico, upon which the ad valorem equivalent of the duty was 28 percent in 1939. Imports, estimated at an average of 4,000,000 pounds a year, are almost entirely from Mexico. The domestic catch in California is estimated at an average of 1,000,000 pounds a year. Because of differences in the manner of preparing the fish for marketing and in the season of the catch, imports and the domestic catch are not directly competitive.

Mixed feeds, consisting of an admixture of grains or grain products with oilcake, oilcake meal, molasses, and other feed stuffs (par. 730)

The duty on mixed feeds was reduced from 10 percent ad valorem under the Tariff Act of 1930 to 5 percent ad valorem in the agreement with Canada, effective January 1, 1939. The reduced rate is bound in the agreement with Mexico. Imports have averaged about 5,500 short tons a year recently, as compared with estimated annual domestic production of 5,000,000 to 10,000,000 short tons.

Limes in their natural state or in brine (par. 743)

The general duty on limes in their natural state or in brine was 2 cents a pound under the Tariff Act of 1930. The preferential rate to Cuba under this act was 1.6 cents a pound. In the agreement with Cuba, effective September 3, 1934, the duty on Cuban limes in their natural state was reduced to 0.8 cent per pound but imports at the reduced rate have amounted in most years to less than 200,000 pounds. The general duty on limes in their natural state or in brine was reduced to 1 1/2 cents a pound in the trade agreement with the United Kingdom, effective January 1, 1939. A further reduction to 1 cent a pound is made in the agreement with Mexico. The ad valorem equivalent of the 1 1/2-cent rate was 68 percent in 1939.

Imports of limes, chiefly from Mexico, averaged 3,663,000 pounds a year in 1939 and 1940,

as compared with 4,800,000 pounds in 1938 and 10,900,000 pounds in 1937. Production of limes in the United States increased from 5,600,000 pounds in 1938 to 6,400,000 pounds in 1941 and to 9,600,000 pounds in 1942.

Fresh pineapples (par. 747)

In the trade agreement with Mexico the general duty on pineapples in bulk is reduced from $\frac{9}{10}$ cent to $\frac{8}{10}$ cent each and the duty of 35 cents per crate of 2.45 cubic feet on pineapples in crates is bound against increase. Under the 40-percent preference extended to Cuba on this item, the duty on imports from that country is automatically reduced from $\frac{1}{2}$ cent each to $\frac{48}{100}$ cent each on pineapples in bulk, while the existing rate of 20 cents per crate is left unchanged.

The ad valorem equivalents of the duties on pineapples in bulk and in crates were as follows in 1939:

	<i>In bulk</i>	<i>In crates</i>
From Cuba-----	18 percent	19 percent
From other countries----	28 percent	26 percent

Imports in bulk are nearly all from Mexico, and imports in crates are mostly from Cuba. Total imports of fresh pineapples in 1940 were equal to 1,246,000 crates, with nearly 75 percent coming from Cuba and most of the remainder from Mexico.

Lima beans, green or unripe (par. 765)

In the Tariff Act of 1930 the duty on lima beans was $3\frac{1}{2}$ cents per pound. The preferential rate on imports from Cuba was $2\frac{2}{5}$ cents per pound. In the trade agreement with Cuba, effective September 3, 1934, the duty on lima beans from that country was reduced to $1\frac{2}{5}$ cents a pound for imports entering in the months from December through May, and the guaranteed margin of preference in those months was increased from 20 percent to 40 percent. Under the agreement with Mexico the duty on imports of lima beans other than from Cuba is reduced during the same months to $2\frac{1}{3}$ cents a pound and the existing duty of $3\frac{1}{2}$ cents on imports in other months is bound against increase.

The ad valorem equivalent of the duty of $3\frac{1}{2}$ cents a pound was approximately 90 percent during the 3 years ending in 1939. There have been no imports at this rate since 1939. Total imports ranged from 3,000,000 to 5,000,000 pounds a year during the 1930's, nearly all from Cuba. Full-duty imports, to which the present reduction is confined, ranged from 10,000 pounds to 100,000 pounds, valued at from \$300 to \$3,600 per year.

Chickpeas or garbanzos, dried (par. 769)

In the Tariff Act of 1930 dried chickpeas or garbanzos were dutiable at $1\frac{3}{4}$ cents per pound. The duty is reduced, in the agreement with Mexico, to 1 cent per pound. The rate of $1\frac{3}{4}$ cents was equivalent, in 1939, to 45 percent ad valorem. United States production averages about 4,000,000 pounds a year. Annual imports during the 1930's ranged from 7,000,000 to about 12,000,000 pounds a year. A very large proportion came from Mexico.

Peas, green or unripe (par. 769)

The duty on green peas under the Tariff Act of 1930 was 3 cents per pound. It was increased to 3.9 cents per pound, by presidential proclamation, on January 1, 1932. In the trade agreement with Canada, effective January 1, 1936, the duty on imports entering from July through September was reduced to 2 cents per pound. Under the agreement with Mexico the reduced rate is applied to imports in all months. The ad valorem equivalent of the 3.9-cents rate was approximately 80 percent from 1937 through 1940. Imports at the 2-cent rate have been negligible.

Imports of green peas are almost entirely from Mexico, entering from December through March. Imports in the late 1920's amounted to almost 30,000,000 pounds a year but declined sharply from 1930, and in 1940 amounted to only 1,600,000 pounds. Although the average farm price has been declining over a considerable period, production of early peas in the Imperial Valley in California has continued to increase. In 1940-41 it was 27,000,000 pounds, the largest recorded up to that time.

and in 1941-42 it increased further to 30,000,000 pounds.

Garlic (par. 770)

The duty on garlic under the Tariff Act of 1930 was $1\frac{1}{2}$ cents a pound. It is reduced to $\frac{3}{4}$ cent a pound in the agreement with Mexico. The ad valorem equivalent of the $1\frac{1}{2}$ -cents duty in 1939 was 43 percent. Imports during the 1930's ranged from 3,000,000 to 6,000,000 pounds a year, of which Mexico supplies from 21 to 37 percent. Most imports enter during the period from February through May, when domestic supplies come from storage.

United States production of garlic (mostly in California) averaged about 20,000,000 pounds a year from 1937 through 1939 but only 16,000,000 pounds in 1940 and 1941. In 1942 production increased to 23,000,000 pounds. The price of California garlic in Chicago increased from 7.3 cents a pound in March 1939 to 8.5 cents in March 1940 and to 17.3 cents in March 1941. It had declined to 14.5 cents a pound in March 1942.

Tomatoes in their natural state (par. 772)

The duty on tomatoes was increased by the Tariff Act of 1930 from $\frac{1}{2}$ cent per pound to 3 cents per pound. The preferential duty on imports from Cuba was 2.4 cents a pound. The rate on Cuban tomatoes was reduced in the agreement with that country, effective September 3, 1934, to 1.8 cents a pound during the months from December through February. In the agreement with Mexico the full-duty rate is reduced to $1\frac{1}{2}$ cents a pound for the duration of the national emergency proclaimed May 27, 1941. Thereafter, when the President shall have proclaimed the termination of the abnormal situation with regard to tomatoes, the rate of duty will be $2\frac{1}{4}$ cents per pound. The emergency reduction in the full-duty rate automatically reduced the preferential rate on Cuban tomatoes to 1.2 cents a pound throughout the year. The reduced full-duty rate to come into effect after the emergency will result in a preferential rate of 1.8 cents a pound on Cuban imports in any month.

The 3-cent rate was equivalent in 1939 to 97 percent ad valorem. On imports from Cuba, the seasonal rate of 1.8 cents a pound was equivalent to 102 percent ad valorem, and the rate of 2.4 cents a pound was equivalent to 140 percent.

Imports are almost entirely from Mexico and Cuba. Those from Mexico enter from January through May, about half being received in April and May. The Mexican tomatoes are marketed chiefly in Chicago and in the western United States, although when the domestic crop is short they are much more widely distributed. The Florida tomatoes and those from Cuba are marketed in the eastern seaboard, shipments from Florida occurring chiefly from March through May and those from Cuba from December through February.

In the crop year 1938-39 imports from Mexico totaled 15,000,000 pounds and those from Cuba 39,000,000 pounds, while the Florida early south crop, which most nearly coincides with the import season, amounted to 153,000,000 pounds.

Since 1938 there has been a series of shortages in the early south harvests in Florida. Imports, especially from Mexico, have increased, but not enough to offset these deficits in Florida production. In 1940-41 imports from Mexico were 83,000,000 pounds and those from Cuba 49,000,000 pounds, while the Florida early south crop amounted to only 43,000,000 pounds. In 1941-42 Florida production increased to 66,000,000 pounds but greatly increased requirements in the United States and the difficulties of shipping from Cuba kept the supply short during the import season. Average farm price of the Florida early south tomato crop has progressively increased from 4.5 cents a pound for the crop year 1938-39, to 6.0 cents for the crop year 1940-41, with a further increase indicated for the crop year 1941-42.

Peppers in their natural state (par. 774)

The duty on peppers in the Tariff Act of 1930 was 3 cents a pound. It was reduced by presidential proclamation, effective January 1,

1932, to 2½ cents per pound, and the resulting preferential duty on imports from Cuba was 2 cents per pound. Under the trade agreement with Cuba, effective September 3, 1934, this rate was reduced to 1½ cents per pound on imports entering from that country during the months from January to April, inclusive. Under the agreement with Mexico the full-duty rate is now reduced to 1½ cents per pound. This automatically reduces the duty on Cuban peppers to 1½ cents per pound throughout the year.

The ad valorem equivalent for the full-duty rate of 2½ cents per pound was 84 percent in 1939, and the preferential rate of 2 cents a pound and the agreement rate of 1½ cents on imports from Cuba were equivalent to 109 percent and 68 percent, respectively.

Imports from Mexico and from Cuba are about equal in quantity and enter during the months from January through April, when most of the fresh peppers available in the United States are from the Florida winter crop. From December 1938 through May 1939, imports from Mexico totaled 1,700,000 pounds and those from Cuba 1,900,000 pounds. The Florida winter crop amounted to 25,000,000 pounds. In each year since 1938-39 the Florida crop has been short. Imports materially increased but not sufficiently to offset the decline in the Florida crop. In 1940-41 imports from Mexico totaled 7,200,000 pounds and those from Cuba 8,000,000 pounds, while the Florida winter crop was 10,900,000 pounds. The price received by Florida farmers for their peppers advanced from 5.6 cents a pound in 1938-39 to an average of 10 cents a pound in the 2 succeeding years.

Eggplant in its natural state (par. 774)

In the agreement with Mexico the full-duty rate on imports of eggplant is reduced to 1½ cents a pound during the months from December through March, while the existing rate of 1½ cents a pound, effective through other months, is bound against increase. This concession to Mexico does not affect the existing preferential duties on imports from Cuba of

¾ cent a pound on imports from December through March and 1½ cents per pound on those in other months.

The ad valorem equivalent of the duty of 1½ cents on imports from Mexico in 1939 was 97 percent. The duty on imports from Cuba, dutiable at 1½ cents a pound, was equivalent to 62 percent ad valorem, and that on imports, dutiable at ¾ cent per pound, was equivalent to 30 percent ad valorem.

Total imports during the 1930's ranged from 2,000,000 to 6,500,000 pounds a year, of which 90 percent were from Cuba and the remainder from Mexico. The import season is from December through April, when domestic supplies and shipments are light.

Ale, porter, stout, and beer (par. 805)

The duty on ale, porter, stout, and beer was \$1 per gallon in the Tariff Act of 1930. It was reduced to 50 cents per gallon in February 1935 under section 336 of the Tariff Act of 1930, and is further reduced to 25 cents per gallon in the agreement with Mexico. In 1939 the 50-cent duty was equivalent to 59 percent ad valorem.

Imports in 1936 amounted to 1,926,938 gallons valued at \$1,735,831 but declined progressively until in 1940 they totaled 1,074,142 gallons valued at \$925,777. Imports from Mexico have been increasing and in the first 9 months of 1941 exceeded those from any other country in quantity and ranked second in value. United States production of beer in the fiscal year 1940-41 amounted to 1.7 billion gallons, and exports to 4,000,000 gallons.

Cords and twines wholly or in chief value of manila (abaca), sisal, henequen, or other hard fiber (par. 1005(b))

The duty on hard-fiber cords and twines was reduced from 40 percent ad valorem, under the Tariff Act of 1930, to 20 percent ad valorem in the trade agreement with the Netherlands, effective February 1, 1936. The reduced rate is bound against increase in the agreement with Mexico.

Imports of such products in 1940 totaled 6,000,000 pounds, mostly from Mexico. Pro-

duction in the United States, all from imported fiber, ordinarily averages from 50,000,000 to 60,000,000 pounds a year. Transactions in hard-fiber twines and cords are extensively controlled by the Government, and in September 1942 manufacture of such articles in the United States was suspended altogether.

Bound books of all kinds (other than diaries and prayer books), except those bound wholly or in part in leather, not specially provided for, and if a bona-fide authorship (par. 1410)

The duty on books of foreign authorship was reduced from 15 percent ad valorem, under the Tariff Act of 1930, to 7½ percent ad valorem under the trade agreement with the United Kingdom, effective January 1, 1939. The reduced rate is bound in the agreement with Mexico. Although imports from Mexico, valued in 1940 at \$12,420, exceeded those from most other sources, they were insignificant in comparison with imports from the United Kingdom, valued at more than \$1,000,000.

Hat braids of natural fiber, not bleached, dyed, colored or stained (par. 1504 (a))

Natural-fiber hat braids were dutiable at 15 percent ad valorem under the Tariff Act of 1930. The duty is reduced in the trade agreement with Mexico to 7½ percent ad valorem, except for braids of straw or manila hemp. Imports affected by the concession totaled 11,000,000 yards valued at \$175,000 in 1940, with 1,000,000 yards valued at \$28,000 coming from Mexico. No natural-fiber hat braids are produced in the United States.

Harvest hats valued at less than \$3 per dozen (par. 1504 (b) (5))

The duty on harvest hats was reduced from 15 percent ad valorem, under the Tariff Act of 1930, to 12½ percent in the trade agreement with the Netherlands, effective February 1, 1936. The reduced rate is bound against increase in the agreement with Mexico. Imports, mostly from Mexico and the Netherlands West Indies, totaled 15,000,000 hats or bodies, valued at \$19,000, in 1940.

Bovine sole and belting leathers (par. 1530 (b) (1))

The duty on sole and belting leather was reduced from 12½ percent ad valorem, under the Tariff Act of 1930, to 10 percent ad valorem in the trade agreement with the United Kingdom. The reduced rate is bound against increase in the agreement with Mexico. Imports from Mexico in 1940 were 202,000 pounds valued at \$56,000, as compared with total imports of 1,800,000 pounds valued at \$811,000. United States production of sole and belting leathers is valued at approximately \$100,000,000 a year.

Huaraches (par. 1530 (e))

Huaraches or woven-leather sandals, under the Tariff Act of 1930, were dutiable at 20 percent ad valorem. The duty is reduced to 10 percent ad valorem in the trade agreement with Mexico. Huaraches make up practically all imports of women's, misses', and children's shoes from Mexico, amounting in 1940 to 386,000 pairs valued at \$291,000. All imports are from Mexico.

Men's, youths', and boys' boots, shoes, or other footwear (including athletic and sporting boots and shoes), made wholly or in chief value of leather (except turn or turned, or sewed or stitched by the process or method known as McKay, or made by the process or method known as welt) (par. 1530 (e))

This category includes work shoes with nailed soles, molded-sole sandals, and shoes with soles cemented or attached by the stitch-down process. Together with other leather shoes, they were dutiable under the Tariff Act of 1930 at 20 percent ad valorem. In the agreement with Mexico the duty is reduced to 10 percent ad valorem.

Most imports are from Mexico and consist of men's shoes with nailed soles, for sale to Mexican laborers in this country. Entries during 1940 totaled 92,000 pairs valued at \$84,000. Manufacture of men's work shoes of similar construction in the United States

amounted in 1939 to 14,000,000 pairs valued at \$23,000,000.

Moving pictures (par. 1551)

Under the Tariff Act of 1930 the duty on exposed negatives to be used for moving pictures was 2 cents per linear foot if undeveloped and 3 cents per linear foot if developed, while positives, prints, and duplicates were uniformly dutiable at 1 cent per linear foot. These rates of duty are reduced by 50 percent in the agreement with Mexico.

Imports amounted in 1940 to 6,000,000 feet, of which 800,000 feet were from Mexico. It is estimated that total rentals received from abroad by United States motion-picture producers in 1941 approached \$50,000,000, while payments for foreign films exhibited in this country probably did not equal \$5,000,000.

Waste not specially provided for (par. 1555)

The duty on waste not specially provided for was 10 percent ad valorem in the Tariff Act of 1930 and was reduced to 7½ percent ad valorem in the agreements with Canada and the United Kingdom, effective January 1, 1939. The reduced rate is now bound against increase in the agreement with Mexico. Imports of waste from Mexico are almost entirely of cottonseed hulls used chiefly as roughage for cattle. Total imports from all countries in 1940 were valued at \$708,000 and those from Mexico at \$43,000.

Istle or Tampico fiber, dressed or unmanufactured (par. 1558)

Dressed istle or Tampico fiber was dutiable under the Tariff Act of 1930 at 20 percent ad valorem. The duty is reduced to 10 percent ad valorem in the agreement with Mexico. There is considerable United States production of dressed istle from imported fiber. Duty-free imports of crude istle have several times the value of imports of dressed istle. Imports of dressed istle from Mexico in 1940 were valued at approximately \$118,000. Because istle is a substitute for fibers previously obtained from the Far East, its purchase, processing,

and sale in the United States are extensively controlled by the Government.

Liquid petroleum asphaltum, including cutbacks and road oil (par. 1710)

In the Tariff Act of 1930 liquid petroleum asphaltum was free of duty, but since 1932 imports have been taxable under the Internal Revenue Code at ½ cent per gallon as liquid derivatives of petroleum. In the agreement with Mexico the existing duty-free treatment is bound and the import tax is reduced from ½ cent to ¼ cent per gallon. Imports in 1940 totaled 211,000 barrels valued at \$178,000, all from Mexico. United States production of liquid and solid petroleum asphaltum in 1940 was 37,000,000 barrels, of which 1,250,000 barrels were exported.

Petroleum, crude, and fuel oil derived from petroleum (par. 1733)

Under the Tariff Act of 1930 petroleum and its products are free of duty but the Revenue Act of 1932 imposed an import tax of ½ cent a gallon (21 cents a barrel) on the imports received for consumption in the United States. In the trade agreement with Venezuela, effective December 16, 1939, the import tax on crude petroleum, topped crude, and fuel oil derived from petroleum was reduced to ¼ cent per gallon (10½ cents per barrel) on an aggregate quota for any calendar year, not to exceed 4 percent of all crude petroleum processed in refineries in continental United States in the preceding calendar year. Imports in excess of this quota are subject to import tax at the full rate. In the agreement with Mexico the reduced rate of ¼ cent per gallon is applied to all imports without quota limitation.

Import quotas—Under the agreement with Venezuela the reduced-duty quota was 61,892,000 barrels in 1940. It increased to 64,714,000 barrels in 1941 and to 70,433,000 barrels in 1942. The quota was allocated in 1940, 1941 and 1942, among Venezuela, the Netherlands West Indies, Colombia, and other countries—chiefly Mexico—upon the basis of previous imports. The portion of the quota allocated to

"other countries" was only 3.8 percent of the total in 1940, and 5.1 percent in 1941 and 1942.

During 1940 and the first 9 months of 1941, imports from Venezuela, the Netherlands possessions, and Colombia were almost entirely within the quotas assigned to those countries and therefore entered at the reduced rate of import tax. On the other hand, only 15 percent of the imports from Mexico in 1940 and 27 percent of those in the first 9 months of 1941 were within the quota and the remainder were subject to the full import tax.

Ad valorem equivalent—In 1940 the import tax of $\frac{1}{4}$ cent per gallon on imports within the quota was equivalent to 14 percent ad valorem on imports of crude petroleum and 12 percent on imports of fuel oil and topped crude. The full import tax of $\frac{1}{2}$ cent per gallon was equivalent to 29 percent on crude petroleum and 17 percent on fuel oil and topped crude.

Imports from Mexico—In 1939 United States imports for consumption from Mexico were 1,728,000 barrels or considerably less than half the annual average imports from that country before expropriation of properties of foreign oil companies by Mexico in 1938. In 1940, however, such imports from Mexico increased to 15,381,000 barrels and they amounted to 9,171,000 barrels in the first 9 months of 1941. Most of Mexico's exports of petroleum in 1940 and nearly all in 1941 were shipped to the United States.

Imports and the United States supply—Total combined imports of crude petroleum, topped crude, and fuel oil for consumption in the United States increased from about 36,000,000 barrels in 1939 to 69,000,000 barrels in 1940 and totaled 57,000,000 barrels in the first 9 months of 1941. Petroleum processed at refineries in the United States increased from 1.2 billion barrels in 1939 to 1.4 billion barrels in 1941—the highest figure ever recorded.

Exports of petroleum and petroleum products, including fuel oil, are ordinarily about 15 percent of United States production and several times as great as imports. In the first 2 years of the war, however, United States exports declined and imports increased so that

in the first 9 months of 1941 this country was for the first time a net importer of petroleum and fuel oil. Imports within the reduced-tax quota in the first 9 months in 1942 from Venezuela and the Netherlands possessions were very much less than in the corresponding months of 1941 and amounted to only one fourth of the annual quotas allotted to these countries.

Kerosene (par. 1733)

Kerosene was free of duty under the Tariff Act of 1930, but under the Revenue Act of 1932 it was subject to an import tax of $\frac{1}{2}$ cent per gallon. In the trade agreement with Mexico this import tax is reduced to $\frac{1}{4}$ cent. The $\frac{1}{2}$ -cent import tax was equivalent to 13 percent ad valorem in 1940, when imports totaled 204,000 barrels valued at \$318,000, all from Mexico. Although imports in 1940 were considerably larger than those in other years since 1932, they equaled only one third of 1 percent of United States production and considerably less than one tenth of United States exports.

SCHEDULE II ITEMS OF WHICH TOTAL UNITED STATES DUTIABLE IMPORTS IN 1939 WERE VALUED AT LESS THAN \$50,000

Products of which total United States dutiable imports in 1939 were valued at less than \$50,000 each and on which United States tariffs have been reduced or bound in Schedule II of the trade agreement with Mexico, are listed below. In some cases the concessions are further reductions of rates already lowered under previous agreements with other countries. Existing and agreement rates of duty on these products, and figures on United States imports, are given in Table B. Figures in parentheses refer to paragraphs of the United States Tariff Act of 1930.

Naphthenic acids (par. 1)

Juice of lemons, limes, oranges, or other citrous fruits, unfit for beverage purposes (par. 48)

Zinc sulphate (par. 93)

Floor and wall tiles, wholly or in part of cement (par. 202 (a))

Mantels, friezes, and articles of every description or parts thereof, composed wholly or in chief value of earthen tiles or tiling, except pill tiles (par. 202 (b))

Common yellow, brown, red or gray earthenware, composed of a body wholly of clay which is unwashed, unmixed and not artificially colored; common salt-glazed stoneware; stoneware and earthenware crucibles (par. 210)

Earthenware having a body not artificially colored, and composed wholly of clay (par. 211)

Glassware blown or partly blown or ground, cut, colored or decorated in any manner, if commercially known as bubble glass (par. 218 (f))

Molybdenum ore or concentrates (par. 302 (b))

Table, household, kitchen and hospital utensils, and hollow or flatware, not specially provided for, composed wholly or in chief value of tin or tin plate (par. 339)

Articles or ware (other than containers) not specially provided for, if composed wholly or in chief value of tin or tin plate (par. 397)

Mahogany lumber (par. 404)

Packing boxes (empty) and packing-box shooks of wood, not specially provided for (par. 407)

Boxes, barrels, and other articles containing oranges, lemons, limes, grapefruit, and shaddocks or pomelos (par. 408)

Spring clothespins (par. 412)

Dried blood albumen, light (par. 701)

Sheep and lambs (par. 702)

Bobwhite quail (par. 711)

Live asses and burros, not specially provided for (par. 715)

Shark fins (par. 717 (c))

Edible berries (except blueberries) prepared or preserved, but not frozen and not in brine and not dried, desiccated or evaporated (par. 736)

Mangoes (par. 746)

Watermelons (par. 752)

Black-eye cowpeas, dried or in brine (par. 765)

Beans, green or unripe, other than lima (par. 765)

Cucumbers in their natural state (par. 774)

Squash in its natural state (par. 774)

Spirits manufactured or distilled from grain or other material and compounds or preparations of which distilled spirits are the component material of chief value, not specially provided for (other than those specified in any previous trade agreement concluded under the provisions of section 350 of the Tariff Act of 1930) (par. 802)

Cordage, wholly or in chief value of sisal, henequen, or other hard fiber, except manila (abaca) (par. 1005 (a))

Blankets and similar articles (including carriage and automobile robes and steamer rugs) made as units or in the piece, finished or unfinished, wholly or in chief value of wool, not exceeding three yards in length, any of the foregoing if hand-woven (par. 1111)

Wax matches (par. 1516)

Slippers for housewear (par. 1530 (e))

On the following products which the United States, in 1939, imported to a value of less than \$50,000 each, existing duties are bound in the agreement with Mexico:

Honey (par. 716)

Guavas, prepared or preserved and not specially provided for (par. 752)

SCHEDULE II ITEMS BOUND ON THE FREE LIST

The agreement with Mexico binds on the United States free list imports of certain commodities which this country either does not produce at all or not in quantities sufficient to meet its own requirements. The following tabulation lists products the imports of which are now bound duty-free for the first time. Numbers in parentheses refer to paragraphs of the Tariff Act of 1930.

Product	Value of total United States imports in 1939 (in thousands of dollars)
Crude jalap, natural and uncompounded (par. 1602).	4
Antimony ore (par. 1608)-----	1, 132
Arsenious acid or white arsenic (par. 1614)	562
Binding twine (par. 1622)-----	2, 421
Fish sounds (par. 1624)-----	22
Crude metallic mineral substances, not specially provided for (par. 1664).	175
Sharkskins, raw or salted (par. 1678)-----	60
Live game animals and birds for stocking purposes (par. 1682).	70
Henequen, istle or Tampico fiber, and broom root (par. 1684).	9, 353
Crude chicle (par. 1686)-----	5, 151
Horses and mules for slaughter (par. 1695)	17
Guayule rubber, crude (par. 1697)-----	463
Lignoloe or bois de rose (par. 1731)-----	299
Spiny lobsters, fresh or frozen (par. 1761)	• 491
Abalone, fresh or frozen (par. 1761)-----	• 375
Shrimps and prawns, fresh or frozen (par. 1761).	260
Anise (par. 1768 (2))-----	56
Candelilla wax (par. 1796)-----	420
Wood charcoal (par. 1802)-----	44

• Estimated.

Imports of products in the following list are bound duty free both in the Mexican agreement and in one or more previous trade agreements:

Product	Value of total United States imports in 1939 (in thousands of dollars)
Sulphuric acid (par. 1601)-----	27
Cattle for breeding (par. 1606 (a))-----	941
Bananas, green or ripe (par. 1618)-----	29,083
Coffee (par. 1654)-----	139,546
Fish livers (par. 1669)-----	1,718
Guano (par. 1685)-----	212
Fanures (par. 1685)-----	56
Fish scrap and fish meal for fertilizers (par. 1685).-----	467
Sarsaparilla root (par. 1728)-----	9
Distilled or essential oil of limes (par. 1731)-----	405
Plaster rock and crude gypsum (par. 1743)-----	1,174
Reptile skins, raw (par. 1765)-----	274
Camphor (allspice) (par. 1768 (1))-----	321
Cottonstone, tripoli, and sand crude or unmanufactured (par. 1775).-----	82
Shagbark, in the log (par. 1803 (2))-----	1,737
Spanish cedar, in the log (par. 1803 (a))-----	109
Primavera, in the log (par. 1803 (2))-----	124

SCHEDULE III ITEMS

In Schedule III of the agreement are listed concessions made by the United States to Mexico on certain imports of which countries other than Mexico normally have been the principal or important suppliers.

Reduced rates of tariffs specified in Schedule III will be in effect from the time the agreement goes into force until at least 6 months after termination of the unlimited national emergency proclaimed by the President of the United States on May 27, 1941. After the President has proclaimed the termination of that emergency the United States may, on 6 months' notice, restore in whole or in part the tariff rates that applied to articles enumerated in this schedule on the date of signature of the agreement. In no case, however, may any such rate be increased, during the life of the

agreement, to a level higher than that of the pre-agreement rate.

Earthen floor and wall tiles (except ceramic mosaic tiles, quarries or quarry tiles, and tiles wholly or in part of cement) (par. 202 (a))

In the agreement with Mexico the duties on all clay tiles (except ceramic mosaic tile and quarries and quarry tiles) are reduced to 50 percent of the rates under the Tariff Act of 1930. The resulting duty on tiles valued at not more than 40 cents per square foot is 5 cents per square foot but not less than 25 percent nor more than 35 percent ad valorem, and that on tiles valued at more than 40 cents per square foot is 30 percent ad valorem.

Imports consist chiefly of glazed tile, and formerly were obtained principally from Japan, Italy, and the United Kingdom. During the 3 years 1938-1940 they averaged in value only \$16,000 a year, or approximately one tenth of 1 percent of the value of United States production. Imports from Mexico have generally averaged, in value, less than \$2,000 a year, but that country is now one of the few remaining sources of imports.

Glass bottles, jars, vials, and ampoules (par. 217)

Under the agreement with Mexico the duty on glass bottles, jars, vials, and ampoules holding more than 1 pint each is reduced to 1/2 cent per pound; the duty on those holding from 1/4 pint to 1 pint is reduced to 3/4 cent a pound; and the duty on those holding less than 1/4 pint is reduced to 25 cents per gross. These rates are 50 percent of those specified in the Tariff Act of 1930.

Imports, most of which formerly came from Europe, declined from a value of \$129,000 in 1937 to only \$29,000 in 1940. Mexico was a negligible supplier until 1941. In the first 9 months of that year it furnished imports valued at \$10,788 out of a total of \$13,593. United States exports are valued at several million dollars a year.

Articles or wares not specially provided for, if composed wholly or in chief value of silver (par. 397)

Imports consist of silver tableware (including bowls, trays, pitchers, spoons, and serving pieces) and ecclesiastical goods, ornaments, and novelties. Silver knives and forks and silver-plated ware are otherwise provided for. The duty of 65 percent under the Tariff Act of 1930 was reduced to 50 percent ad valorem under the trade agreement with the United Kingdom, effective January 1, 1939. In the agreement with Mexico it is further reduced to 32½ percent ad valorem.

Imports recorded since the beginning of 1937 have ranged in value from \$200,000 to \$350,000 a year, chiefly from the United Kingdom and Denmark. Although entries from Mexico are estimated to have exceeded \$100,000 a year in value, most of them have been duty-free imports by tourists and recorded dutiable imports from Mexico are valued at only \$3,000 to \$7,000 a year. United States production of sterling-silver tableware was valued at about \$10,000,000 in 1939 and other silver manufactures, such as novelties, at \$2,000,000.

Baskets and bags of bamboo, straw, willow, splint, and other wood or compositions of wood, papier-mâché and palm leaf (par. 411)

Baskets and bags were dutiable in the Tariff Act of 1930 at 50 percent ad valorem. The duty is reduced to 25 percent ad valorem in the trade agreement with Mexico. Imports consist chiefly of ornamental or household baskets, and were valued at \$405,000 in 1940, when 80 percent came from China, Japan, and countries now occupied by Japan. Mexico is among the chief remaining sources, supplying imports valued at \$20,000 in 1940. Ornamental and household baskets manufactured in the United States in 1939 were valued at \$3,000,000.

Bentwood furniture, wholly or partly finished, and parts thereof (par. 412)

The duty on bentwood furniture was 47½ percent under the Tariff Act of 1930 and was

reduced to 42½ percent by presidential proclamation effective July 24, 1931. It is further reduced to 22 percent in the agreement with Mexico.

Bentwood furniture consists principally of chairs for public seating. Imports in 1937, coming almost entirely from central Europe, were valued at \$528,000 and supplied most of the requirements of the United States. Recent small imports (valued at \$22,000 in the first 9 months of 1941) were chiefly from Mexico.

Tuna packed in oil (par. 718 (a))

Tuna packed (or canned) in oil was dutiable under the Tariff Act of 1930 at 30 percent ad valorem. The rate was increased to 45 percent by presidential proclamation, effective January 13, 1934. It is reduced to 22½ percent ad valorem in the agreement with Mexico.

Imports in 1937 amounted to 11,000,000 pounds, or about 15 percent of United States consumption, but they fell steadily until, during the first 9 months of 1941, they amounted to only about 2,000,000 pounds. Mexico generally supplied less than 10 percent of these imports but has now become the chief supplier as the war has eliminated most other sources of imports.

Oilcake and oilcake meal: soybean, coconut or copra, and cottonseed (par. 730)

Imports were dutiable at ¾ cent per pound under the Tariff Act of 1930. In the agreement with Mexico the rate is reduced to ½ cent a pound. The ad valorem equivalent of the ¾-cent duty in 1939 was 26 percent for oilcake and oilcake meal and coconut or copra, 22 percent for that of soybeans, and 30 percent for that of cottonseed. United States consumption in 1940 was 3,500,000 short tons, and imports in that year were 155,000 tons, of which 60 percent was duty-free coconut or copra cake and meal from the Philippine Islands. Virtually all imports are used in feed-deficit areas on the Pacific coast. Much of the oilcake and oilcake meal entering this region from sources elsewhere in the United States is customarily shipped through the Panama Canal from New Orleans.

Although the total United States supply of oilcake and meal is now greater than ever before, because of the increased production of soybean meal, the Pacific coast supply has been curtailed by cessation of imports from the Philippines and the Far East.

Pineapples, prepared or preserved, and not specially provided for (par. 747)

The general duty on prepared or preserved pineapples is reduced in the agreement with Mexico from 1½ cents to 1 cent per pound. This reduction does not affect the existing preferential duty of ¼ cent per pound on imports from Cuba. The ad valorem equivalent of the 1½-cent rate on full-duty imports was 43 percent in 1939 and the duty on imports from Cuba was equivalent to 14 percent ad valorem.

Entries of prepared and preserved pineapple into the continental United States in 1940 totaled 522,000,000 pounds, of which 486,000,000 were duty-free from Hawaii, the Philippine Islands, and Puerto Rico. Of the dutiable imports 14,000,000 pounds were from Cuba and the balance of 22,000,000 pounds, from the Far East. Mexico is a large producer of pineapples, but shipments to the United States have heretofore consisted of fresh pineapples.

Dolls and parts of dolls (including clothing) and china or earthenware toys (par. 1513)

This item includes all dolls except those of celluloid or other cellulose compounds. Under the Tariff Act of 1930 dolls and china or earthenware toys were dutiable at 70 percent ad valorem except for dolls and doll clothing containing lace or embroidery, which were dutiable at 90 percent ad valorem. These rates are reduced by one half, to 35 percent and 45 percent ad valorem, respectively, in the agreement with Mexico.

Imports, formerly valued at \$500,000 a year, nearly all came from countries now enemies or under enemy control. Imports from Mexico have averaged less than \$2,000 a year in value but that country is now one of the chief remaining sources.

Jewelry other than of gold or platinum (par. 1527 (a) (2))

Under the Tariff Act of 1930 jewelry other than of gold or platinum was dutiable at compound rates equivalent to 110 percent ad valorem. In the trade agreement with France, effective June 15, 1936, the duty was reduced to the equivalent of 65 percent ad valorem upon jewelry valued at over \$5 per dozen pieces. The duty is reduced in the agreement with Mexico to the equivalent of 55 percent ad valorem upon all values. Imports were formerly received chiefly from Japan, China, France, and Czechoslovakia. Imports of this jewelry from Mexico are small but have been increasing and were valued at \$8,000 in the first 9 months of 1941.

V. ANALYSIS OF GENERAL PROVISIONS

The general provisions of the agreement embody the basic principle of equality of treatment essential to the development of international trade upon a sound and non-discriminatory basis. They define the nature of the obligations assumed by each country in making tariff concessions to the other, set forth reciprocal assurances of non-discriminatory treatment with respect to all forms of trade control, and include provisions relating to various other matters affecting trade between the two countries.

Provisions relating to treatment of trade in general

Article I provides that the United States and Mexico shall in general accord to each other unconditional most-favored-nation treatment with respect to customs duties and internal taxes, including customs rules and formalities and laws or regulations affecting the sale, distribution, or use of imported articles. This means, among other things, that each country obligates itself to extend to the other, immediately and without compensation, the lowest rates of customs duties or of internal taxes which are granted to any other country, either by autonomous action or in connection with a commercial agreement with a third country.

Article II of the agreement provides that internal taxes or charges levied in either country on products imported from the other shall not in general be higher than those imposed on like articles of domestic origin.

Article III applies in general the principle of non-discriminatory treatment to import and export quotas and prohibitions, and other forms of restriction on imports, on exports, or on the sale, distribution, or use of imported articles. Any such quantitative restriction is to be based upon a pre-determined amount of the article, i. e., a global quota. If, for example, either country establishes such restrictions on imports and if any third country is allotted a share of the total amount of permitted importations of the article, the other country shall also as a general rule be allotted a share which shall be based upon the proportion of the total imports of such article which that country supplied in a previous representative period.

Article IV extends in general the principle of non-discriminatory treatment to any form of exchange control by either country over the transfer of payments for imports originating in the other country. Accordingly, the article provides that the Government of either country shall accord to any product originating in the other country, in regard to restrictions or delays on payments, exchange rates, and taxes or charges on exchange transactions, treatment no less favorable than that accorded the like product originating in any third country.

Article V extends the principle of non-discriminatory treatment to foreign purchases by the Government of either country or by exclusive agencies established, maintained or sponsored by either Government.

Article VI provides for the prompt publication of laws, regulations, and administrative and judicial decisions relating to the classification of articles for customs purposes or to rates of duty. With certain customary exceptions relating to anti-dumping duties, health, or public-safety measures, etc., paragraph 2 of the article provides that no administrative

ruling by either country effecting advances in rates of duties or in charges applicable under an established and uniform practice to imports originating in the other country, or imposing any new requirement with respect to such importations, shall be effective retroactively or as a general rule with respect to articles imported within 30 days after the date of publication of notice of such ruling in the usual official manner. Paragraph 3 provides that penalties imposed by either Government because of clerical or other *bona-fide* errors in the documentation of imported merchandise shall not be greater than nominal. Paragraph 4 provides for sympathetic consideration by each Government of representations from the other in regard to customs regulations and related matters and to the application of sanitary regulations. If there should be disagreement between the two Governments with respect to sanitary laws or regulations, paragraph 5 provides that a committee of experts including representatives of both Governments shall be established, upon request of either Government, to study the matter and submit a report to both Governments for their consideration.

Provisions relating to concessions

Articles VII and VIII of the agreement relate to the tariff concessions granted by each country on products of the other and provide that products included in the schedules annexed to the agreement shall, upon importation into the other country, be exempt from ordinary customs duties higher than those specified in the schedules and from all other charges in connection with importation in excess of those imposed on the day of signature of the agreement or required to be imposed thereafter by laws in force on that day.

However, in paragraph 2 of Article VIII, the United States reserves the right to withdraw or modify the concessions granted on any article contained in Schedule III at any time after the termination of the unlimited national emergency proclaimed by the President of the United States on May 27, 1941, upon 6 months' written notice to the Mexican Government; but in no event may the rate of duty on such article

exceed that in effect on the day of signature of the agreement.

Article IX permits either country, notwithstanding the provisions of Articles VII and VIII, to impose on any product imported from the other country an import charge equivalent to an internal tax imposed on a similar domestic product or on any article from which the imported product has been made.

Article X contains a general undertaking that no quantitative restrictions shall be imposed by either country on articles imported from the other country which are listed in the schedules annexed to the agreement. However, this general undertaking does not preclude the imposition of quantitative restrictions by either country, on the importation or sale of such articles, in conjunction with governmental measures which operate to regulate or control the production, market supply, or prices of like domestic articles, or which tend to increase the labor costs of production of such articles, or which are necessary to maintain the exchange value of the currency of the country. Whenever either Government proposes to impose or alter any such quantitative restriction, it shall afford the other Government an opportunity for consultation; if agreement is not reached, the Government proposing to take the action shall be free to do so, and the other Government shall be free, within 30 days after the action is taken, to terminate the agreement in whole or in part on 30 days' written notice. Under paragraph 3 of Article X, measures imposed by the United States on imports of coffee from Mexico pursuant to the provisions of the Inter-American Coffee Agreement of 1940, are excepted from the general undertaking not to impose quantitative restrictions on articles listed in the schedules.

Article XI provides a measure of flexibility in respect of the concessions set forth in the agreement, in order to take care of situations which might arise in the future. The article provides that if the President of the United States finds that as a result of unforeseen developments, and of the concession granted on any article in Schedule II or Schedule III of the

agreement, such article is being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to United States producers of like or similar articles, he shall, if he finds such action to be in the public interest, withdraw or modify the concession on such article, either by quota or otherwise, to the extent and for the time necessary to prevent such injury. The Government of Mexico may take similar action, under like circumstances and conditions, in respect of concessions set forth in Schedule I of the agreement. Before either Government may withdraw or modify a concession pursuant to these provisions of the agreement it shall afford the other Government an opportunity for consultation; if agreement is not reached, the Government proposing to take the action may nevertheless do so and the other Government would then be free, within 30 days after the action is taken, to terminate the agreement in whole or in part, on 30 days' written notice.

Article XII safeguards importers against adverse changes in the methods of determining dutiable value and of converting currencies in connection with articles listed in the schedules which are or may be subject to ad valorem rates of duty.

Article XIII, relating to articles in transit, provides that articles coming from or going to either country shall be accorded in the other country freedom of transit, reasonable transit charges, and unconditional most-favored-nation treatment with regard to transit charges, rules and formalities. Subject to applicable customs laws and regulations, articles in transit shall be exempt from any transit duty, customs duty, or similar charge.

Article XIV provides that if the Government of either country considers that any object of the agreement is nullified or impaired as a result of any measure taken by the other Government, the latter Government shall consider sympathetically such written representations or proposals as may be made by the former Government with a view to effecting a mutually satisfactory adjustment.

Provisions as to application of the agreement

Article XV provides that the agreement shall apply on the part of both countries to the territories and possessions included in their customs territories, the most important of which in the case of the United States are Alaska, Hawaii, and Puerto Rico. The most-favored-nation provisions of the agreement will, however, apply also to those possessions of the United States which have separate tariffs, including the Philippines, the Virgin Islands of the United States, American Samoa, and the island of Guam.

Article XVI excepts from the application of the agreement special advantages granted by the Government of either country to adjacent countries to facilitate frontier traffic, and advantages accorded to any third country as a result of a customs union. There is also included the usual exception relating to special advantages accorded by the United States to the Republic of Cuba.

Article XVII provides that nothing in the agreement shall prevent the adoption or en-

forcement by either country of measures relating to imports or exports of gold and silver, sanitary regulations and the like, or measures relating to public security or imposed for the protection of the country's essential interests in time of war or other national emergency.

Article XVIII provides that the agreement will come definitively into force 30 days after its proclamation by the President of the United States and the President of Mexico, or, in the event the proclamations do not take place on the same day, 30 days after the proclamation which is later in time. Article XVIII also provides that the agreement shall remain in force for a period of 3 years from its effective date unless terminated earlier pursuant to the provisions of Article X or Article XI. If, 6 months prior to the expiration of the 3-year period, neither Government has given the other notice of intention to terminate the agreement, it will continue in force thereafter, subject to termination on 6 months' notice or pursuant to the provisions of Article X or Article XI.

TABLE A

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM MEXICO (SCHEDULE I)

NOTE: The value of Mexican imports from the United States is converted to thousands of United States dollars from thousands of pesos at the following rates of exchange: 1 peso equals \$0.1930 in 1939 and \$0.1852 in 1940. N.A. means statistics not available; L.K. means legal kilo; G.K. means gross kilo; N.K. means net kilo.

Mexican tariff fraction	Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		Mexican imports from United States (in thousands of dollars)	
				Duty (pesos)	Reduction (percent)	1939	1940
1. 01. 42	Cattle for breeding, except milch cows.....	Head	Free	Free	Bound	146	140
1. 20. 00	Sausages of meat.....	L.K.	0. 70	0. 70	Bound	15	17
1. 20. 02	Ham, raw or cooked.....	L.K.	0. 70	0. 70	Bound	20	34
1. 20. 03	Bacon.....	L.K.	0. 70	0. 70	Bound	13	26
1. 20. 10	Canned meats, not specified.....	L.K.	0. 70	0. 70	Bound	10	7
1. 20. 19	Canned meat foods, even when containing vegetable products in any proportion, unspecified.....	L.K.	0. 70	0. 70	Bound	25	29
1. 21. 02	Canned salmon, weighing up to 5 kilos.....	L.K.	0. 70	0. 70	Bound	n.a.	n.a.
1. 21. 04	Canned sardines, weighing 210 grams or over.....	L.K.	0. 70	0. 70	Bound	9	2
1. 22. 00	Eggs, fresh.....	G.K.	0. 40	0. 40	Bound	2	4
1. 22. 12	Milk, evaporated.....	L.K.	0. 40	0. 40	Bound	36	32
1. 22. 13	Milk in powder or pastilles, weighing up to 5 kilos.....	L.K.	0. 40	0. 30	25	21	22

See footnotes at end of table, p. 1066.

TABLE A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM MEXICO (SCHEDULE I)—Continued

Mexican tariff fraction	Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		Mexican imports from United States (in thousands of dollars)	
				Duty (pesos)	Reduction (percent)	1939	1940
1. 22. 14	Milk in powder or pastilles, weighing more than 5 kilos.....	L.K.	0.40	0.36	25	9	19
1. 22. 15	Butter.....	L.K.	0.80	0.80	Bound	28	26
1. 22. 17	Cheddar cheese.....	L.K.	0.80	0.80	Bound	24	51
1. 23. 20	Stearic acids (in cakes).....	G.K.	0.25	0.25	Bound	60	96
1. 23. 33	Animal fats, hydrogenated.....	G.K.	0.45	0.35	22.2	30	1
1. 23. 40	Hog lard in tank cars and tankers.....	N.K.	0.23	0.18	21.7	337	851
1. 23. 41	Hog lard in other containers.....	G.K.	0.32	0.25	21.9	226	191
1. 30. 09	Tanned hides, without hair.....	L.K.	5.50	5.50	Bound	478	477
2. 10. 01	Onions.....	G.K.	0.03	0.02	33.3	18	13
2. 10. 16	Wheat.....	G.K.	0.10	0.06	40	1,314	50
2. 10. 18	Oats, hulled (including oatmeal).....	G.K.	0.15	0.10	33.3	24	26
2. 10. 20	Canned vegetable foods, not specified.....	L.K.	0.50	0.40	20	51	39
2. 10. 21	Canned asparagus.....	L.K.	0.50	0.40	20	29	32
2. 10. 24	Tomato sauce.....	L.K.	0.60	0.60	Bound	7	7
2. 10. 25	Canned tomatoes.....	L.K.	0.60	0.60	Bound	n.a.	n.a.
2. 13. 01	Plums.....	G.K.	0.35	0.25	28.6	3	4
2. 13. 03	Peaches.....	G.K.	0.35	0.25	28.6	2	3
2. 13. 04	Fresh fruit, not specified.....	G.K.	0.35	0.25	28.6	7	9
2. 13. 06	Apples.....	G.K.	0.35	0.30	14.3	48	66
2. 13. 08	Pears.....	G.K.	0.35	0.25	28.6	n.a.	n.a.
2. 13. 09	Grapes.....	G.K.	0.35	0.25	28.6	61	74
2. 13. 13	Sliced dried fruits.....	G.K.	0.80	0.20	75	20	17
2. 13. 15	Prunes.....	G.K.	0.80	0.40	50	21	21
2. 13. 17	Raisins.....	G.K.	0.80	0.50	37.5	45	37
2. 13. 24	Canned fruits in syrup or in their juice.....	L.K.	2.00	2.00	Bound	n.a.	n.a.
2. 13. 33	Walnuts, unshelled.....	G.K.	0.80	0.60	25	n.a.	n.a.
2. 13. 35	Walnuts, shelled.....	G.K.	1.00	0.80	20	n.a.	n.a.
2. 14. 04	Wheat flour.....	L.K.	0.28	0.28	Bound	10	7
2. 14. 14	Prepared cereals and flour.....	L.K.	0.80	0.65	18.8	18	26
2. 20. 01	Oats, unhulled.....	G.K.	0.05	0.05	Bound	1	(?)
2. 20. 02	Barley in the grain.....	G.K.	0.05	0.04	20	130	106
2. 31. 22	Cottonseed.....	G.K.	0.08	0.06	25	121	93
2. 31. 30	Barley malt.....	G.K.	0.17	0.17	Bound	208	334
2. 31. 32	Hops.....	L.K.	0.28	0.20	28.6	297	524
2. 31. 61	Raw tobacco, Virginia type.....	L.K.	2.30	2.00	13.0	12	6
2. 31. 63	Raw tobacco, not specified, filler.....	L.K.	2.30	2.30	Bound	36	49
2. 41. 00	Cocoa butter.....	L.K.	0.40	0.40	Bound	78	118
2. 43. 00	Cigarettes.....	L.K.	7.00	7.00	Bound	27	31
2. 50. 10	Plywood.....	G.K.	0.10	0.10	Bound	60	91
2. 50. 31	Boards, planks or beams, of pine and spruce, up to 55 millimeters in thickness and more than 3.25 meters in length.....	100 G.K.	3.40	3.40	Bound	42	39
2. 50. 34	Boards, planks or beams, of pine and spruce, more than 90 millimeters in thickness.....	100 G.K.	0.40	0.40	Bound	86	94
2. 50. 43	Boards, planks or beams, not specified, up to 55 millimeters in thickness and more than three meters in length.....	100 G.K.	0.70	0.70	Bound	173	172
2. 50. 54	Ordinary wood in boards, tongued, overlapped or grooved.....	G.K.	0.04	0.04	Bound	63	93
2. 50. 57	Pulp and fiber boards, weighing over 2 kilos per square meter.....	G.K.	0.04	0.04	Bound	58	78
2. 50. 60	Wooden ties, creosoted.....	100 G.K.	0.50	0.50	Bound	9	9
2. 50. 61	Wooden posts over 4 meters in length.....	100 G.K.	0.40	0.40	Bound	21	15
2. 50. 62	Logs of ordinary wood.....	100 G.K.	0.40	0.40	Bound	60	62
2. 71. 10	Wooden furniture, veneered with fine wood, not specified, not upholstered, inlaid, or ornamented with metal, and not with fabrics containing silk, but even with leather.....	L.K.	0.90	0.90	Bound	46	66
2. 71. 11	Wooden furniture, veneered with fine wood, not specified, upholstered, but not inlaid, or ornamented with metal, and not with fabrics containing silk, but even with leather.....	L.K.	1.20	1.20	Bound	24	57

See footnotes at end of table, p. 1066.

TABLE A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM MEXICO (SCHEDULE I)—Continued

Mexican tariff fraction	Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		Mexican imports from United States (in thousands of dollars)	
				Duty (pesos)	Reduction (percent)	1939	1940
2.71.20	Furniture of ordinary wood, not specified, not upholstered, inlaid, or ornamented with metal, and not with fabrics containing silk, but even with leather.	L.K.	0.50	0.50	Bound	30	98
2.71.21	Furniture of ordinary wood, not specified, upholstered, but not inlaid, or ornamented with metal, and not with fabrics containing silk, but even with leather.	L.K.	0.75	0.75	Bound	58	60
3.01.04	Gas for lighting or fuel, in cylinders or drums, except acetylene.....	-	Free	Free	Bound	25	45
3.01.05	Gas for lighting or fuel, in tank cars, except acetylene.....	-	Free	Free	Bound	n.a.	n.a.
3.01.30	Lubricating greases, weighing up to 1 kilo.....	G.K.	0.25	0.25	Bound	n.a.	n.a.
3.01.31	Lubricating greases, weighing more than 1 kilo but not more than 5 kilos.....	G.K.	0.13	0.13	Bound	n.a.	n.a.
3.01.32	Lubricating greases, weighing more than 5 kilos.....	G.K.	0.09	0.09	Bound	125	170
3.01.40	Mineral wax and paraffin.....	G.K.	0.14	0.14	Bound	683	960
3.21.09	Refractory clay or earth, not specified.....	100 G.K.	0.60	0.60	Bound	86	99
3.23.02	Sulphur.....	100 G.K.	1.50	1.50	Bound	131	119
3.29.12	Cement, Roman or Portland.....	G.K.	0.02	0.02	Bound	17	40
3.31.85	Refractory brick and tile, with a base of silicate of aluminum or of silica.....	100 G.K.	1.50	1.50	Bound	195	232
3.31.86	Refractory brick and tile, not specified.....	100 G.K.	0.20	0.20	Bound	83	70
3.33.00	Faience ware, not specified.....	G.K.	0.80	0.80	Bound	16	24
3.34.35	Glass, and crystal, flat, up to one centimeter in thickness, not specified.....	G.K.	0.20	0.20	Bound	139	190
3.34.70	Glass or crystal worked into pieces, not specified, weighing up to 300 grams.....	G.K.	0.70	0.70	Bound	42	67
3.34.71	Glass or crystal worked into pieces, not specified, weighing more than 300 grams.....	G.K.	0.60	0.60	Bound	53	96
3.51.19	Copper tubing, with an exterior diameter up to 15 millimeters.....	-	Free	Free	Bound	n.a.	n.a.
3.53.03	Iron or steel wire, twisted, barbed, for fences.....	100 G.K.	0.50	0.50	Bound	318	353
3.54.06	Screws and rivets of iron or steel of more than 40 millimeters and up to 40 centimeters in length, not specified.	L.K.	1.20	1.20	Bound	49	5
3.54.12	Razor blades.....	100 pieces	2.50	2.30	8	63	53
3.54.49	Cylinders of iron or steel, for holding gas for lighting or heating, except acetylene..	-	Free	Free	Bound	13	66
3.54.53	Refrigerators, weighing up to 200 kilos.....	L.K.	0.50	0.40	20	385	587
3.54.54	Refrigerators, weighing over 200 kilos.....	L.K.	0.45	0.35	22.2	41	79
3.54.56	Furniture of iron or steel, weighing up to 10 kilos, not specified.....	L.K.	0.80	0.80	Bound	13	24
3.54.57	Furniture of iron or steel, weighing more than 10 kilos, not specified.....	L.K.	0.60	0.60	Bound	53	80
3.92.00	Washstands, lavatories, bidets and drinking fountains of enamelled iron, weighing more than 5 kilos.	G.K.	0.30	0.25	16.7	53	86
3.92.03	Bathtubs of enamelled iron weighing more than 70 kilos.....	G.K.	0.30	0.25	16.7	37	71
3.92.10	Washstands, lavatories, bidets, drinking fountains and bathtubs of clay, china or porcelain, weighing more than 5 kilos.	G.K.	0.20	0.20	Bound	37	74
3.92.11	Waterclosets and urinals of clay, china or porcelain, and parts.....	G.K.	0.20	0.20	Bound	187	214
4.15.00	Cotton tire fabric.....	L.K.	0.20	0.15	25	593	486
4.15.90	Cotton cloth, not of plain weave, weighing up to 50 grams per square meter.....	L.K.	10.10	10.10	Bound	23	117
4.15.95	Cotton cloth, not of plain weave, weighing more than 250 but not more than 1,200 grams per square meter.	L.K.	3.40	3.40	Bound	70	104
4.17.10	Cotton cloth, oiled, waxed or prepared with pyroxylin.....	L.K.	1.70	1.70	Bound	121	136
4.18.09	Cotton corduroy, not specified.....	L.K.	4.90	4.90	Bound	18	37
4.18.10	Cotton velvet, weighing up to 400 grams per square meter, even if figured.....	L.K.	4.90	4.90	Bound	24	26
4.18.11	Cotton velvet, weighing more than 400 grams per square meter, even if figured..	L.K.	6.00	6.00	Bound	22	10
4.50.02	Carpets of wool and other animal fibers, except silk, of plush weave, on a base of any vegetable fiber except cotton, and even if containing threads of that material.	Sq.M.	6.30	6.30	Bound	86	113
4.50.11	Carpets of wool and other animal fibers, except silk, of looped or plush weave, on a base of cotton or wool, weighing more than 1,500 grams per square meter.	Sq.M.	11.20	11.20	Bound	46	69
4.57.01	Velvet of wool and other animal fibers, except silk, weighing more than 400 grams per square meter, even if figured.	L.K.	9.00	8.10	10	-	25
5.02.06	Under and outer shirts and drawers of cotton cloth, not of plain weave, for men and boys.	L.K.	14.70	14.70	Bound	37	52
5.02.90	Made-up wearing apparel, not specified, and separate parts when sewn, of cotton cloth, of plain weave, even with adornments or embroidery not of silk nor of false metal, of any kind.	L.K.	9.80	9.80	Bound	40	72

See footnotes at end of table, p. 1066.

TABLE A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM MEXICO (SCHEDULE I)—Continued

Mexican tariff fraction	Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		Mexican imports from United States (in thousands of dollars)	
				Duty (pesos)	Reduction (percent)	1939	1940
5.02.92	Made-up wearing apparel, not specified, and separate parts when sewn, of cotton cloth, not of plain weave, even with adornments or embroidery not of silk nor of false metal, of any kind.	L.K.	11.20	11.20	Bound	20	27
5.42.90	Made-up wearing apparel, not specified, and separate parts when sewn, of cloth of wool and other animal fibers, except silk, woven with yarns, even with adornments or embroidery not of silk nor of false metal, of any kind.	L.K.	23.00	23.00	Bound	26	43
5.42.92	Made-up wearing apparel, not specified, and separate parts when sewn, of cloth of wool and other animal fibers, except silk, when the weave contains threads in any proportion, even with adornments or embroidery not of silk nor of false metal, of any kind.	L.K.	27.00	27.00	Bound	21	19
5.42.93	Made-up wearing apparel, not specified, and separate parts when sewn, of cloth of wool and other animal fibers, except silk, when the weave contains threads in any proportion, with adornments or embroidery of silk, even with false metal, of any kind.	L.K.	35.00	35.00	Bound	13	3
5.51.00	Knit hosiery and socks of silk.	Pair	1.00	1.00	Bound	58	74
5.61.00	Knit hosiery and socks of silk, with mixture of other fiber in any proportion.	Pair	1.00	1.00	Bound	34	31
5.70.20	Fiber pocket books, writing and brief cases, rubberized, oiled, or waxed, with fibers not visible on the surface, weighing up to 500 grams.	L.K.	5.00	5.00	Bound	35	29
6.03.93	Mixtures of ethers and alcohols employed in the manufacture of varnishes or paints.	L.K.	0.25	0.15	40	46	50
6.04.00	Fruit essences or synthetic products imitating them, without alcohol.	L.K.	15.00	15.00	Bound	21	41
6.04.14	Extracts not specified, for making soft drinks.	L.K.	3.00	3.00	Bound	199	432
6.04.15	Extracts not specified, for making wines and liquors.	L.K.	3.00	3.00	Bound	4	6
6.12.71	Bicarbonates of potassium and of sodium, weighing 5 kilos, not specified.	G.K.	0.07	0.04	42.8	83	55
6.31.21	Medicinal granules, tablets, pastilles, perles and pills.	L.K.	1.50	1.50	Bound	233	286
6.31.90	Drugs and pharmaceutical specialties, of any kind, not specified (the Mexican Government will not impose any certification requirement or any other formality for the importation, registration, licensing or sale of pharmaceutical specialties and patent medicines which is impossible of fulfillment in the United States because of lack of a duly authorized Federal Agency).	L.K.	1.00	1.00	Bound	135	224
6.50.10	Cosmetics, perfumed or not.	L.K.	7.00	6.50	7.1	73	62
6.61.01	Polishes and stains for shoes and leather weighing over 5 kilos.	G.K.	0.38	0.38	Bound	53	41
6.61.06	Prepared floor wax, weighing up to 5 kilos.	G.K.	0.75	0.75	Bound	4	5
6.61.07	Prepared floor wax, weighing over 5 kilos.	G.K.	0.50	0.50	Bound	n.a.	n.a.
6.61.21	Varnishes and paints prepared with a base of alcohol or ether.	G.K.	0.60	0.60	Bound	81	113
6.61.28	Prepared varnishes and paints, weighing up to 5 kilos, not specified.	G.K.	0.60	0.60	Bound	44	50
6.61.29	Prepared varnishes and paints, weighing over 5 kilos, not specified.	G.K.	0.40	0.40	Bound	232	264
6.63.07	Tire repair kits.	L.K.	1.60	1.00	37.5	1	1
7.00.20	Grape juice, with a density up to 1.25 at a temperature of 15 degrees centigrade.	G.K.	0.25	0.25	Bound	23	19
7.00.21	Fruit juices, not specified, with a density up to 1.25 at a temperature of 15 degrees centigrade.	L.K.	1.00	1.00	Bound	15	35
7.00.22	Fruit juices, not specified, with a density exceeding 1.25 at a temperature of 15 degrees centigrade.	L.K.	3.00	3.00	Bound	n.a.	n.a.
7.10.30	Wines, red, white, and full-bodied, with alcoholic strength up to 14 centesimal degrees Gay-Lussac, at a temperature of 15 degrees centigrade, in containers of wood or metal.	G.K.	0.30	0.30	^a Bound	1	9
7.10.31	Wines, red, white, and full-bodied, with alcoholic strength up to 14 centesimal degrees Gay-Lussac, at a temperature of 15 degrees centigrade, in containers of earthenware, porcelain, glass or others not specified.	G.K.	0.50	0.50	^a Bound	n.a.	n.a.
7.11.06	Bourbon and rye whiskey, with alcoholic strength greater than 23 but not exceeding 55 centesimal degrees Gay-Lussac at a temperature of 15 degrees centigrade, in containers of wood or metal.	L.K.	4.75 G.K.	2.25	52.6	42	49
7.11.07	Bourbon and rye whiskey, with alcoholic strength greater than 23 but not exceeding 55 centesimal degrees Gay-Lussac, at a temperature of 15 degrees centigrade, in containers of earthenware, porcelain, glass or others not specified.	L.K.	5.00 G.K.	2.50	50	43	45

See footnotes at end of table, p. 1066.

TABLE A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM MEXICO (SCHEDULE I)—Continued

Mexican tariff fraction	Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		Mexican imports from United States (in thousands of dollars)	
				Duty (pesos)	Reduction (percent)	1939	1940
7.11.08	Bourbon and rye whiskey, with alcoholic strength greater than 55 centesimal degrees Gay-Lussac, at a temperature of 15 degrees centigrade, in containers of wood or metal.	L.K.	5.50 G.K.	3.00	45.5	69	41
7.11.09	Bourbon and rye whiskey, with alcoholic strength greater than 55 centesimal degrees Gay-Lussac, at a temperature of 15 degrees centigrade, in containers of earthenware, porcelain, glass or others not specified.	L.K.	6.50 G.K.	3.25	50	n.a.	n.a.
7.32.01	Shoes with upper or sole of skin or leather, more than 20 centimeters in length and with double seam stitching.	Pair	5.10	5.10	Bound	17	15
7.32.12	Shoes with upper or sole of skin or leather, more than 20 centimeters in length, not specified.	Pair	4.30	4.30	Bound	26	30
7.41.21	Unexposed photographic films in blank, not specified.	L.K.	1.00	1.00	Bound	157	228
7.41.26	Positive, exposed, motion-picture films; not specified, when measuring more than 20 millimeters in width, with direct impression of sound or "photocell", in any language, even with music (the Mexican Government agrees to permit temporary entry of such films under bond for preliminary showing and censorship and no duties will be collected if films are reexported within 30 days without public showing).	L.K.	20.00 or 40.00	20.00 or 50	Bound	259	281
7.44.10	Sheets of ebonite, gutta-percha or similar pastes, not decorated, not specified.	L.K.	0.08	0.08	Bound	21	12
7.44.11	Sheets of ebonite, gutta-percha or similar pastes, decorated.	L.K.	0.50	0.50	Bound	n.a.	n.a.
7.44.12	Tubes of ebonite, gutta-percha or similar pastes.	L.K.	0.25	0.25	Bound	n.a.	n.a.
7.44.13	Rods of ebonite, gutta-percha or similar pastes.	L.K.	0.25	0.25	Bound	2	1
7.44.90	Manufactured articles, not specified, of pastes similar to casein, celluloid, gelatin, gutta-percha and rubber, even containing ordinary metal of any kind, weighing each up to 10 grams.	L.K.	10.00	10.00	Bound	107	146
7.44.91	Manufactured articles, not specified, of pastes similar to casein, celluloid, gelatin, gutta-percha and rubber, even containing ordinary metal of any kind, weighing more than 10 but not more than 50 grams.	L.K.	8.00	8.00	Bound		
7.44.92	Manufactured articles, not specified, of pastes similar to casein, celluloid, gelatin, gutta-percha and rubber, even containing ordinary metal of any kind, weighing more than 50 but not more than 100 grams.	L.K.	6.00	6.00	Bound		
7.44.93	Manufactured articles, not specified, of pastes similar to casein, celluloid, gelatin, gutta-percha and rubber, even containing ordinary metal of any kind, weighing more than 100 grams.	L.K.	2.50	2.50	Bound		
7.51.12	Paper of the natural color of the pulp, weighing more than 50 but not more than 100 grams per square meter.	L.K.	0.14	0.14	Bound	38	80
7.51.13	Paper of the natural color of the pulp, not specified, weighing more than 100 grams per square meter.	L.K.	0.10	0.10	Bound	34	80
7.52.02	Paper of any kind, not specified, weighing up to 100 grams per square meter, cut in strips up to 10 centimeters wide.	L.K.	0.80	0.80	Bound	229	149
7.52.03	Paper of any kind, not specified, weighing more than 100 grams per square meter, cut in strips up to 10 centimeters wide.	L.K.	0.60	0.60	Bound	37	81
7.52.05	Toilet paper and cleansing tissue.	L.K.	0.26	0.26	Bound	30	81
7.53.30	Advertisements, calendars and catalogues, not specified.	L.K.	3.00	3.00	Bound	48	65
7.90.15	Beacons, lamps, lanterns, or reflectors of any kind, adapted for lighting by means of dry batteries or electric generators, weighing up to 5 kilos.	L.K.	2.40	2.00	16.7	48	46
7.99.30	Linoleum.	L.K.	1.00	0.50	50	34	66
8.10.40	Dry electric cells.	L.K.	0.80	0.80	Bound	20	21
8.20.14	Threshers.	G.K.	0.04	0.02	50	229	153
8.21.10	Passenger elevators and operating equipment.	G.K.	0.06	0.02	66.7	49	135
8.23.90	Machines, not specified, operated by mechanical means, weighing up to 100 kilos each.	G.K.	0.08	0.04	50	374	428
8.23.91	Machines, not specified, operated by mechanical means, weighing more than 100 kilos.	G.K.	0.06	0.03	50	1,136	1,467
8.31.00	Sewing machines, pedal or crank, weighing up to 100 kilos each.	G.K.	0.10	0.05	50	416	832
8.40.01	Radio receiving apparatus, with cabinet.	L.K.	1.20	1.00	16.7	1,201	1,378

See footnotes at end of table, p. 1066.

TABLE A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM MEXICO (SCHEDULE I)—Continued

Mexican tariff fraction	Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		Mexican imports from United States (in thousands of dollars)	
				Duty (pesos)	Reduction (percent)	1939	1940
8.41.00	Electric fans and ventilators, weighing up to 20 kilos each.....	L.K.	0.80	0.50	37.5	25	35
8.41.15	Electric irons.....	L.K.	0.30	0.30	Bound	36	45
8.41.20	Electric stoves, weighing up to 40 kilos each.....	L.K.	1.00	1.00	Bound	14	18
8.41.21	Electric stoves, weighing more than 40 kilos each.....	G.K.	0.15	0.15	Bound	10	14
8.41.33	Electric lamps of gas, mercury or other electrical system.....	G.K.	0.40	0.40	Bound	4	24
8.42.30	Tubes for radio apparatus.....	Each	0.05	0.03	40	97	134
8.42.39	Separate parts and repair pieces, not specified, for radio apparatus.....	L.K.	0.40	0.20	50	139	133
8.50.00	Calculating machines.....	L.K.	1.00	0.50	50	305	345
8.50.01	Machines for registering sales.....	L.K.	0.60	0.40	33.3	31	77
8.50.10	Apparatus for reproducing writing.....	G.K.	0.50	0.25	50	16	21
8.50.11	Typewriters.....	L.K.	0.60	0.60	Bound	362	398
8.52.21	Stoves and heaters, not electric, weighing more than 40 but not more than 150 kilos each.....	G.K.	0.15	0.10	33.3	44	41
8.59.00	Fire extinguishers, with up to six spare charges.....	G.K.	0.10	0.05	50	22	29
8.61.20	Belting, not endless, for machinery, made of rubber or of cloth impregnated with this material.....	G.K.	0.75	0.75	Bound	135	136
8.65.29	Made-up packing, not specified.....	G.K.	0.40	0.40	Bound	140	168
8.65.50	Spark plugs.....	G.K.	0.50	0.25	50	84	82
8.65.51	Pistons for combustion motors, weighing up to 5 kilos each.....	G.K.	0.50	0.45	10	71	72
9.10.00	Phonographic apparatus of any kind.....	L.K.	1.20	1.00	16.7	281	246
9.10.01	Radio-phonograph combinations.....	L.K.	1.20	1.00	16.7	45	120
9.10.02	Separate parts and repair pieces, for phonographs, not specified.....	L.K.	1.20	0.60	50	24	34
9.10.17	Phonograph records, not specified.....	-	Free	Free	Bound	71	109
9.11.00	Cinematographic apparatus and magic lanterns, weighing up to 20 kilos each.....	L.K.	1.00	0.50	50	22	44
9.11.01	Cinematographic apparatus and magic lanterns, weighing more than 20 kilos each.....	L.K.	0.60	0.50	16.7	85	77
9.52.00	Passenger automobiles, up to 4 cylinders, not specified.....	Each	250.00	250.00	Bound	^a 89	^a 54
9.52.01	Passenger automobiles, over 4 but not over 6 cylinders, with a capacity of up to 6 passengers, not specified.....	Each	700.00	700.00	Bound	^a 1,047	^a 923
9.52.02	Passenger automobiles, over 4 but not over 6 cylinders, with a capacity of over 6 and up to 9 passengers, not specified.....	Each	700.00	700.00	Bound	^a 92	^a 159
9.52.03	Passenger automobiles, with over 6 and up to 8 cylinders, with a capacity of up to 6 passengers, not specified.....	Each	700.00	700.00	Bound	^a 1,774	^a 2,321
9.52.04	Passenger automobiles, over 6 and up to 8 cylinders, with a capacity of over 6 and up to 9 passengers, not specified.....	Each	700.00	700.00	Bound	^a 63	^a 67
9.52.05	Passenger automobiles, over 8 cylinders, not specified.....	Each	2,000.00	2,000.00	Bound	^a 1	^a 68
9.52.06	Busses.....	Each	2,000.00	1,600.00	20	^a 24	^a 22
9.52.10	Trucks, up to 4 cylinders, with stake body, with or without cab.....	Each	100.00	100.00	Bound	^a 15	^a 7
9.52.11	Trucks, over 4 cylinders, with stake body, with or without cab.....	Each	300.00	300.00	Bound	^a 675	^a 463
9.52.12	Trucks, with closed body, or not specified.....	Each	300.00	300.00	Bound	^a 444	^a 422
9.52.31	Chassis of automobiles of all kinds with over 4 cylinders, not specified.....	Each	100.00	100.00	Bound	^a 463	^a 279
NOTE: The fifth paragraph of Note 130 of the Explanatory Notes for the application of the Mexican General Tariff of Imports shall be amended to read as follows: "In the vehicles to which the fractions refer, there shall be admitted as an integral part thereof, the appropriate equipment of the car including one spare wheel and rim, but excluding spare tires. Radio apparatus and bumpers shall pay in addition the duty established in the respective fractions."							
9.55.10	Tractors.....	G.K.	0.03	0.02	33.3	498	675
9.56.27	Separate parts and repair pieces, not specified, for automobile bodies.....	L.K.	0.80	0.40	50	108	122
9.56.32	Pneumatic rubber tires, weighing up to 10 kilos each, not specified.....	G.K.	2.00	1.60	20	21	18
9.56.33	Pneumatic rubber tires, weighing more than 10 kilos each, not specified.....	G.K.	2.50	2.50	Bound	127	91

See footnotes at end of table, p. 1066.

TABLE A—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS OBTAINED FROM MEXICO (SCHEDULE I)—Continued

Mexican tariff fraction	Description of article (abbreviated)	Unit	Pre-agreement duty (pesos)	Agreement duties and extent of concessions		Mexican imports from United States (in thousands of dollars)	
				Duty (pesos)	Reduction (percent)	1939	1940
9. 56. 35	Wheels with pneumatic rubber tires, with or without inner tubes, for automobiles.	G.K.	2. 00	1. 60	20	65	17
9. 56. 38	Wheels, without tires, for automobiles, and hubs, spokes, and rims for the same.	G.K.	1. 00	0. 75	25	73	8
9. 56. 40	Motors and their propelling mechanism, for automobiles, and their separate parts and repair pieces, not specified, in conformity with catalogs required of importers.	L.K.	0. 30	0. 20	33. 3	971	1, 071
9. 56. 42	Separate parts and repair pieces, not specified, for automobile chassis.	L.K.	0. 80	0. 40	50	56	1
9. 56. 88	Pneumatic rubber tires, when the diameter of the inner circumference or that which corresponds to the wheel or rim, measures more than 60 centimeters across the extremity of the opening, not specified.	G.K.	0. 50	0. 30	40	26	1

^a United States exports to Mexico of all canned salmon were valued at \$10,000 in 1939 and \$5,000 in 1940.

^b Imports of all canned sardines.

^c Imports of all cheese.

^d United States exports to Mexico of canned tomatoes were valued at \$2,300 in 1939 and \$1,600 in 1940.

^e United States exports to Mexico of walnuts were valued at \$3,100 in 1939 and \$4,500 in 1940.

^f Less than \$500.

^g Imports of all iron and steel cylinders for holding gas.

^h However, the duty is reduced on wines with alcoholic strength of over 12 and up to 14 degrees through a broadening by the agreement of the tariff classification to include wines of such strength.

ⁱ Imports of all alcoholic beverages of this strength.

^j The rate of 40 pesos applied to annual imports in excess of 100,000 meters or when certain conditions of importation were not fulfilled.

^k Imports of assembled automobiles only.

TABLE B

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)

NOTE: Except as otherwise noted, import data for dutiable products do not include imports free of duty under special provisions of the Tariff Act of 1930, or imports from Cuba subject to preferential reduction in duty. N.A. means statistics not available.

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
1.....	Naphthenic acids ^a	25% ad valorem ^b	12½% ad valorem ^b	35	2	3	15	3
48.....	Citrous fruit juices, unfit for beverage purposes.	5¢ per lb.....	2½¢ per lb.....	—	—	—	—	—
77.....	Zinc oxide and leaded zinc oxides containing not more than 25 per centum of lead: In any form of dry powder.....	13¢ per lb.....	1¼¢ per lb.....	39	—	—	134	3
	Ground in or mixed with oil or water.	2¼¢ per lb.....	1½¢ per lb.....	26	—	—	11	—
90.....	Turpentine and rosin.....	5% ad valorem.....	2¼% ad valorem.....	5	143	182	151	18
92.....	Vanilla beans.....	15¢ per lb. (reduced from 30¢ per lb. in agreement with France effective 6/15/36).	15¢ per lb.....	4	902	1, 553	3, 502	4, 911

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
1032 (a)	Zinc sulphate.....	3½¢ per lb.....	½¢ per lb.....	39	3	6	13	8
	Cement floor and wall tiles: Valued at not more than 40¢ per square foot: Full-duty imports.....	10¢ per sq. ft. but not less than 50% nor more than 70% ad valorem.	5¢ per sq. ft., but not less than 25% nor more than 35% ad valorem.	66	1	1	1	1
	Imports from Cuba.....	4¢ per sq. ft., but not less than 20% nor more than 28% ad valorem (net rate) (Reduced from 8¢ per sq. ft., but not less than 40% nor more than 56% ad valorem (net rate) in agreement with Cuba, effective 9/3/34).	4¢ per sq. ft., but not less than 20% nor more than 28% ad valorem (net rate).	27			2	1
	Valued at more than 40¢ per square foot: Full-duty imports.....	60% ad valorem.....	30% ad valorem.....	60	(c)	—	(c)	—
	Imports from Cuba.....	24% ad valorem (net) (Reduced from 48% ad valorem (net) in agreement with Cuba, effective 9/3/34).	24% ad valorem.....	24			(c)	—
1032 (b)	Mantles, friezes, and articles of tiling.	50% ad valorem.....	25% ad valorem.....	50	(c)	(c)	2	1
1037	Fluorspar: More than 97% calcium fluoride.	\$4.20 per ton (reduced from \$5.60 per ton in agreement with United Kingdom, effective 1/1/39).	\$4.20 per ton.....	16	7	21	79	59
	Not more than 97% calcium fluoride.	\$8.40 per ton.....	\$6.30 per ton.....	100	—	—	98	84
1040	Earthenware of unmixed clay and stoneware: Not ornamented.....	15% ad valorem.....	10% ad valorem.....	15	(c)	(c)	16	4
	Ornamented.....	20% ad valorem.....	10% ad valorem.....	20	11	15	15	17
1041	Earthenware having a body not artificially colored and composed wholly of clay: Not painted or ornamented ^d	10¢ per doz. pieces and 45% ad valorem.	5¢ per doz. pieces and 25% ad valorem.	50	(c)	(c)	(c)	(c)
	Painted, or ornamented ^d	10¢ per doz. pieces and 50% ad valorem (10¢ per doz. pieces and 30% ad valorem applicable to plates, cups, and saucers of sizes and minimum values per dozen as specified in agreement with United Kingdom, effective 1/1/39).	5¢ per doz. pieces and 25% ad valorem.	68	14	18	14	18
1043	Graphite: Amorphous.....	5% ad valorem (Reduced from 10% ad valorem in agreement with United Kingdom, effective 1/1/39).	5% ad valorem.....	5	106	134	284	497

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
218 (f)-----	Bubble glass*-----	60% ad valorem-----	30% ad valorem---	60	17	19	17	19
232 (a)-----	Onyx /-----	32½¢ per cu. ft. (Reduced from 65¢ per cu. ft. in agreement with Argentina, effective 11/15/41).	32½¢ per cu. ft.---	11	47	58	102	115
302½ (b)-----	Molybdenum ore or concentrates..	35¢ per lb. on the metallic molybdenum contained therein.	17½¢ per lb. on the metallic molybdenum contained therein.	-	(e) -	-	(e) -	-
339-----	Table, household, kitchen and hospital utensils, and hollow or flatware, of tin or tinplate.	40% ad valorem-----	22½% ad valorem---	40	n. a.	n. a.	n. a.	n. a.
391-----	Lead-bearing ores, flue dust, and mattes of all kinds.	1½¢ per lb. on the lead contained therein.	¾¢ per lb. on the lead contained therein.	35	410	381	1,045	4,646
	Lead in zinc ores, not recoverable..	1½¢ per lb. on the lead contained therein.	¾¢ per lb. on the lead contained therein.		(reported in quantity only)			
	Provided, That effective thirty days after the termination of the unlimited national emergency proclaimed by the President of the United States of America on May 27, 1941, the rate of duty on lead-bearing ores, flue dust, and mattes of all kinds shall be-----		1½¢ per lb. on the lead contained therein.					
392-----	Lead bullion or base bullion, lead in pigs and bars, lead dross, reclaimed lead, scrap lead, antimonial lead, antimonial scrap lead, type metal, Babbitt-metal, solder, all alloys or combinations of lead, n. s. p. f.	2½¢ per lb. on the lead contained therein.	1½¢ per lb. on the lead contained therein.					
	Bullion or base bullion-----			45	158	913	166	920
	Pigs and bars-----			115	4	1,863	176	2,269
	Reclaimed, scrap, dross, and lead, n. s. p. f.			46	1	(e)	3	3
	Babbitt metal and solder-----			6	(e)	-	1	902
	Alloys and combinations of lead, n. s. p. f.:							
	In chief value of lead-----			-	-	-	-	-
	Not in chief value of lead-----			2	-	-	96	124
	Type metal and antimonial lead.			35	38	103	38	108
	Provided, That effective thirty days after the termination of the unlimited national emergency proclaimed by the President of the United States of America on May 27, 1941, the rate of duty on the foregoing articles shall be-----		1¼¢ per lb. on the lead contained therein.					

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
3.	Zinc-bearing ores of all kinds, ex- cept pyrites containing not more than 3 per centum zinc. <i>Provided</i> , That effective thirty days after the termination of the un- limited national emergency proclaimed by the President of the United States of Amer- ica on May 27, 1941, the rate of duty on zinc-bearing ores of all kinds, except pyrites contain- ing not more than 3 per centum zinc, shall be.....	1½¢ per lb. on the zinc con- tained therein (Reduced from 1½¢ per lb. in agree- ment with Canada, effec- tive 1/1/39).	¾¢ per lb. on the zinc contained therein.	62	\$ 302	\$ 416	\$ 1,304	\$ 1,108
			1½¢ per lb. on the zinc contained therein.					
	Zinc:							
	In blocks, pigs, or slabs, and zinc dust.	1½¢ per lb. (Reduced from 1¾¢ per lb. in agreement with Canada, effective 1/1/39).	¾¢ per lb.	46	\$ 872	\$ 166	\$ 1,894	\$ 801
	In sheets.....	2¢ per lb.	1¢ per lb.	34	2	3	21	3
	In sheets coated or plated with nickel or other metal (except gold, silver, or platinum), or solutions.	2¾¢ per lb.	1½¢ per lb.	7	-	-	(e)	-
	Old and worn-out zinc, fit only to be remanufactured, zinc dross, and zinc skimmings.	1½¢ per lb.	¾¢ per lb.	43	-	-	\$ 14	\$ 37
	<i>Provided</i> , That effective thirty days after the termination of the unlimited national emer- gency proclaimed by the Presi- dent of the United States of America on May 27, 1941, the foregoing articles shall be duti- able as follows:							
	Zinc in blocks, pigs, or slabs, and zinc dust.		1½¢ per lb.					
	Zinc in sheets.....		2¢ per lb.					
	Zinc in sheets coated or plated with nickel or other metal (except gold, silver, or plati- num), or solutions.		2¾¢ per lb.					
	Old and worn-out zinc, fit only to be remanufactured, zinc dross and zinc skimmings.		1½¢ per lb.					
	NOTE: Nothing in items 391, 392, 393 or 394 shall require the imposi- tion of a duty on any nonferrous metal scrap which is free of duty pursuant to Public Law 497, 77th Congress.							

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
397-----	Articles or wares n.s.p.f. of tin or tinplate (other than containers).	45% ad valorem-----	22½% ad valorem..	45	(c)	(c)	33	3
401-----	Pine lumber and timber, sawed: Northern white and Norway..	50¢ per M feet, board measure (Reduced from \$1 per M feet, board measure in first Canadian agreement, effective 1/1/36; bound in second Canadian agreement, effective 1/1/39).	50¢ per M feet, board measure.	2	-	-	2,736	3,39
401 (and Sec. 3 4 2 4 (a) I.R.C.).	Other-----	50¢ per M feet, board measure plus \$1.50 import tax, per M feet, board measure (Reduced from \$1 per M feet, board measure plus \$3 import tax, per M feet, bd. measure in first Canadian agreement, effective 1/1/36; bound in second Canadian agreement, effective 1/1/39).	50¢ per M feet, bd. measure plus \$1.50 import tax per M feet, bd. measure.	8	53	79	467	33
404 (and Sec. 3 4 2 4 (a) I.R.C.).	Mahogany, sawed, and flooring Full-duty imports-----	7½% ad valorem plus \$1.50 import tax per M feet, board measure (Reduced from 15% ad valorem plus \$3 import tax per M feet, board measure, in agreement with Peru, effective 7/29/42).	7½% ad valorem plus \$1.50 import tax, per M feet, bd. measure.	18	(c)	2	(c)	
	Imports from Cuba-----	6% ad valorem plus \$1.20 import tax per M feet bd. measure (net rate). [†] (Reduced from 12% ad valorem plus \$2.40 import tax, per M feet, board measure (net rate) in agreement with Cuba, effective 9/3/34).	6% ad valorem plus \$1.20 import tax, per M feet, board measure (net rate). [†]	7			5	1
407-----	Packing boxes and packing-box shooks.	15% ad valorem-----	7½% ad valorem..	15	16	19	18	12
408-----	Containers of citrus fruits-----	25% ad valorem-----	12½% ad valorem..	25	4	4	13	1

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
412.....	Spring clothespins.....	15¢ per gross (Reduced from 20¢ per gross in agreement with Sweden, effective 8/5/35).	10¢ per gross.....	110	-	-	1	(*)
701.....	Cattle:							
	Weighing less than 200 pounds each:							
	Within quota of 100,000 head entered in any calendar year.	1½¢ per lb. (Reduced from 2½¢ per lb. on 51,933 head (weighing less than 175 lbs. each) per calendar year in first Canadian agreement, effective 1/1/36. Quota increased to 100,000 head (weighing less than 200 lbs. each) in second Canadian agreement, effective 1/1/39).	1½¢ per lb.....	18	291	203	1,383	1,342
	In excess of quota.....	2½¢ per lb. (Bound in Canadian agreement, effective 1/1/39).	1½¢ per lb.....	26	23	13	217	158
	Weighing 200 or more but less than seven hundred pounds each.	2½¢ per lb.....	1½¢ per lb.....	80	4,697	4,467	5,037	4,738
	Weighing 700 pounds or more each (except cows imported specially for dairy purposes):							
	Within quota of 225,000 head entered in any calendar year.	1½¢ per lb. (Reduced from 3¢ to 2¢ per lb. on 155,799 head per calendar year in first Canadian agreement, effective 1/1/36; further reduced to 1½¢ per lb. and quota increased to 225,000 head in second Canadian agreement, effective 1/1/39).	1½¢ per lb.....	25	871	568	12,584	9,209
	In excess of quota.....	3¢ per lb. (Bound in second Canadian agreement, effective 1/1/39).	1½¢ per lb.....	60	56	491	424	491

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
701—Cont....	<i>Provided</i>, That effective thirty days after the President of the United States of America, after the termination of the unlimited national emergency proclaimed on May 27, 1941, shall have proclaimed that the abnormal situation in respect of cattle and meats has terminated, any of the foregoing cattle, entered, or withdrawn from warehouse, for consumption in excess of the quantities set forth below shall be dutiable as follows: Cattle weighing less than 200 pounds each in excess of 100,000 head in any calendar year. Cattle weighing 200 or more but less than 700 pounds each in excess of 110,000 head in any calendar quarter year or in excess of 400,000 head in any calendar year. Cattle weighing 700 pounds or more each (except cows imported specially for dairy purposes) in excess of 60,000 head in any calendar quarter year or in excess of 225,000 head in any calendar year. <i>Provided further</i>, That if the said proclamation becomes effective after the beginning of a calendar year, the foregoing tariff quotas shall be reduced for the remainder of that year by $\frac{1}{2}$ for each full month that has elapsed in such calendar year prior to the effective date of the said proclamation, but no reduction shall be made in any quarterly quota except as may be required in order not to exceed the annual quota; <i>And provided further</i>, That during the life of this Agreement, the provisions of this item shall supersede the tariff quota limitations on cattle established pursuant to items 701 of Schedule II of the trade agreement entered into between the United States of America and Canada on November 17, 1938.		2½¢ per lb.					
			2½¢ per lb.					
			2½¢ per lb.					

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1930	1939	1940
701.....	Dried blood albumen, light.....	12¢ per lb.....	6¢ per lb.....	29	-	-	32	10
702.....	Sheep and lambs.....	\$3 per head.....	\$1.50 per head.....	38	35	-	43	5
711.....	Bobwhite quail.....	50¢ each.....	25¢ each.....	-	-	-	-	-
714.....	Horses.....	\$15 per head (Reduced from \$30 per head to \$20 per head in first Canadian agreement, effective 1/1/36; further reduced in second agreement, effective 1/1/39).	\$15 per head.....	15	31	41	624	459
714.....	Mules.....	\$30 per head.....	\$15 per head.....	110	51	11	53	14
715.....	Asses and burros.....	15% ad valorem.....	7½% ad valorem.....	15	1	1	1	1
716.....	Honey:							
	Full-duty imports.....	1½¢ per lb. (Reduced from 3¢ to 2¢ per lb. in Guatemala agreement, effective 6/15/36; bound in El Salvador agreement, effective 5/31/37; further reduced in agreement with Canada, effective 1/1/39).	1½¢ per lb.....	10	-	2	16	12
	Imports from Cuba.....	1½¢ (net) per lb. (Reduced from 2½¢ (net) per lb. in agreement with Cuba, effective 9/3/34).	1½¢ (net) per lb.....	22			9	9
17(a).....	White sea bass or totoaba ".....	1¢ per lb.....	½¢ per lb.....	28	158	237	158	237
17(c).....	Shark fins ".....	1½¢ per lb.....	¾¢ per lb.....	6	16	21	16	21
30.....	Mixed feeds.....	5% ad valorem (Bound at 10% ad valorem in first Canadian agreement, effective 1/1/36; reduced to 5% ad valorem in second Canadian agreement, effective 1/1/39).	5% ad valorem.....	5	2	38	78	125
36.....	Berries (except blueberries), preserved.....	35% ad valorem.....	17½% ad valorem.....	35	(°)	(°)	2	1
43 (and Sec. 316).	Limes:							
	Full-duty imports.....	1½¢ per lb. (Reduced from 2¢ per lb. in agreement with United Kingdom, effective 1/1/39).	1¢ per lb.....	68	40	56	69	90
	Imports from Cuba (applies to limes in natural state only).	¾¢ (net) per lb. (Reduced from 1½¢ (net) per lb. in agreement with Cuba, effective 9/3/34).	¾¢ (net) per lb.....	30			3	4
46 (and Sec. 316).	Mangoes:							
	Full-duty imports.....	15¢ per lb.....	7½¢ per lb.....	95	(°)	-	(°)	(°)-
	Imports from Cuba.....	6¢ (net) per lb. (Reduced from 12¢ (net) per lb. in second supplementary agreement with Cuba, effective 1/5/42).	6¢ (net) per lb.....	-			-	(°)

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
747 (and Sec. 316).	Pineapples, in crates of 2.45 cubic feet:							
	Full-duty imports.....	35¢ per crate of 2.45 cu. ft. (Reduced from 50¢ per crate of 2.45 cu. ft. in agreement with Haiti, effective 6/3/35; and subsequently bound against increase in agreements with Honduras, Guatemala, Costa Rica and United Kingdom).	35¢ per crate of 2.45 cu. ft.	26	(°)	-	3	8
	Imports from Cuba.....	20¢ (net) per crate of 2.45 cu. ft. (Reduced from 40¢ (net) per crate of 2.45 cu. ft. in agreement with Cuba, effective 9/3/34).	20¢ (net) per crate of 2.45 cu. ft.	19			1,132	927
747 (and Sec. 316).	Pineapples in bulk:							
	Full-duty imports.....	½¢ each (Reduced from 1½¢ each in agreement with Haiti, effective 6/3/35 and subsequently bound against increase in agreements with Honduras, Guatemala and Costa Rica).	½¢ each.....	28	116	92	119	92
	Imports from Cuba.....	½¢ (net) each (Reduced from 0.9½¢ (net) each in agreement with Cuba, effective 9/3/34).	½¢ (net) each....	18			7	10
752 (and Sec. 316).	Watermelons:							
	Full-duty imports.....	35% ad valorem.....	20% ad valorem...	35	(°)	1	(°)	1
	Imports from Cuba.....	Free.....	Free.....	-			12	5
752 (and Sec. 316).	Guavas, prepared or preserved:							
	Full-duty imports.....	17½% ad valorem (Reduced from 35% ad valorem in agreement with Haiti, effective 6/3/35, and subsequently bound against increase in trade agreements with Honduras, Guatemala, El Salvador and Costa Rica).	17½% ad valorem...	17½	(°)	(°)	(°)	(°)
	Imports from Cuba.....	14% ad valorem (net) (Bound in supplementary agreement with Cuba, effective 1/5/42).	14% ad valorem...	14			3	8

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
765 (and Sec. 316).	Lima beans, green or unripe, when entered for consumption dur- ing the period— December 1 to the following May 31, inclusive:							
	Full-duty imports	3½¢ per lb	2½¢ per lb	93	(°)	—	(°)	—
	Imports from Cuba	1¼¢ (net) per lb. (Reduced from 2¼¢ (net) per lb. in agreement with Cuba, ef- fective 9/3/34).	1¼¢ per lb	54			97	89
	June 1 to November 30, inclusive:							
765 (and Sec. 316).	Full-duty imports	3½¢ per lb	3½¢ per lb.					
	Imports from Cuba	2¼¢ (net) per lb	2¼¢ (net) per lb..	104			6	15
	Beans, n. s. p. f., green or unripe, other than lima.							
	Full-duty imports	3½¢ per lb	2¢ per lb	51	4	6	4	6
765 (and Sec. 316).	Imports from Cuba	2¼¢ (net) per lb	1¼¢ (net) per lb..	90			(°)	30
	Black-eye cowpeas, dried, or in brine.							
	Full-duty imports	3¢ per lb	1½¢ per lb	—	—	—	—	—
	Imports from Cuba	2¼¢ (net) per lb	1¼¢ (net) per lb..	—			—	(°)
769 (and Sec. 316).	Peas, green or unripe (except cowpeas and chickpeas) July 1 to September 30, inclusive:							
	Full-duty imports	2¢ per lb. (Increased from 3¢ to 3¼¢ per lb. by presi- dential proclamation, effec- tive 1/1/32. Reduced to 2¢ per lb. in first Canadian agreement, effective 1/1/36; bound in second agree- ment, effective 1/1/39).	2¢ per lb	—	—	—	—	—
	Imports from Cuba	1¼¢ (net) per lb	1¼¢ (net) per lb..	—			—	—
	October 1 to June 30, inclusive:							
769 (and Sec. 316).	Full-duty imports	3¼¢ per lb. (Increased from 3¢ per lb. by presidential proclamation, effective 1/1/32).	2¢ per lb	79	99	75	90	75
	Imports from Cuba	3¼¢ (net) per lb	1¼¢ (net) per lb..	74			1	1
	Chickpeas or garbanzos, dried	1¼¢ per lb	1¢ per lb	45	277	251	323	294
	Garlic	1½¢ per lb	¾¢ per lb	43	36	79	143	198

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1930	1939	1940
772 (and Sec. 316).	Tomatoes in their natural state:							
	Full-duty imports.....	3¢ per lb.....	1½¢ per lb.....	97	445	720	458	724
	Imports from Cuba:							
	December 1 to last day of following February, inclusive:	1½¢ (net) per lb. (Reduced from 2½¢ (net) per lb. in agreement with Cuba, effective 9/3/34).	1½¢ (net) per lb..	102			483	602
	March 1 to November 30.....	2½¢ (net) per lb.....	1½¢ (net) per lb..	140			113	578
	<i>Provided</i> , That effective thirty days after the President of the United States of America, after termination of the unlimited national emergency proclaimed on May 27, 1941, shall have proclaimed that the abnormal situation in respect of tomatoes has terminated, the rate of duty on tomatoes in their natural state shall be.....		2½¢ per lb.					
774 (and Sec. 316).	Peppers in their natural state:							
	Full-duty imports.....	2½¢ per lb. (Reduced from 3¢ per lb. by presidential proclamation, effective 1/1/32).	1½¢ per lb.....	84	40	158	49	158
	Imports from Cuba:							
	January 1 to April 30.....	1½¢ (net) per lb. (Reduced from 2¢ (net) per lb. in agreement with Cuba, effective 9/3/34).	1½¢ (net) per lb..	68			38	76
	May 1 to December 31.....	2¢ (net) per lb.....	1½¢ (net) per lb..	109			1	14
774 (and Sec. 316).	Eggplant in its natural state, when entered for consumption during the period from—							
	December 1 to March 31, inclusive.							
	Full-duty imports.....	1½¢ per lb. (Reduced from 3¢ per lb. by presidential proclamation, effective 1/1/32)	1½¢ per lb.....	97	6	11	6	11
	Imports from Cuba.....	½¢ (net) per lb. (Reduced from 1½¢ (net) per lb. in the agreement with Cuba, effective 9/3/34).	½¢ (net) per lb..	30			79	77
	April 1 to November 30:							
	Full-duty imports.....	1½¢ per lb.....	1½¢ per lb.					
	Imports from Cuba.....	1½¢ (net) per lb.....	1½¢ (net) per lb..	62			3	43

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
74 (and Sec. 316).	Cucumbers in their natural state, when entered for consumption during the period from— December 1 to last day of following February, inclusive: Full-duty imports..... Imports from Cuba.....	3¢ per lb..... 1½¢ (net) per lb. (Reduced from 2½¢ (net) per lb. in trade agreement with Cuba, effective 9/3/34).	2½¢ per lb..... 1½¢ (net) per lb.....	99 61	(°)	(°)	(°) 43	(°) 65
74 (and Sec. 316).	March 1 to November 30: Full-duty imports..... Imports from Cuba..... Squash in its natural state: Full-duty imports..... Imports from Cuba: December 1 to May 31, inclusive.	3¢ per lb..... 2½¢ (net) per lb..... 2¢ per lb..... 1½¢ (net) per lb. (Reduced from 1½¢ (net) per lb. in trade agreement with Cuba, effective 9/3/34).	3¢ per lb..... 2½¢ (net) per lb..... 1½¢ per lb..... 1½¢ (net) per lb.....	156 39 43	-	(°)	(°) (°)	(°) (°)
02.....	June 1 to November 30..... Spirits, manufactured or distilled from grain or other material, and compounds and preparations of which distilled spirits are the component material of chief value, n.s.p.f. (other than those specified in any previous trade agreement concluded under the provisions of section 350 of the Tariff Act of 1930).	1½¢ (net) per lb..... \$5 per proof gal.....	1½¢ (net) per lb..... \$2.50 per proof gal.....	240	4	6	39	(°) 21
05.....	Ale, porter, stout, and beer.....	50¢ per gal. (Reduced from \$1 per gal. by presidential proclamation, effective 2/15/35).	25¢ per gal.....	59	95	140	1,631	925
005(a).....	Cordage Sisal, henequen or other hard fiber, except manila Three-fourths inch in diameter and larger. Any of the foregoing smaller than three-fourths of one inch in diameter shall be subject to an additional duty of.....	2¢ or 1¢ per lb. (Reduced to 1¢ per lb. if "in chief value of sisal", in agreement with Netherlands, effective 2/1/36). 15% or 7½% ad valorem (Reduced to 7½% ad valorem if "in chief value of sisal" in agreement with Netherlands, effective 2/1/36).	1¢ per lb..... 7½% ad valorem..	26 29	(°)	1	(°)	1 12

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
1005(b).....	Hard-fiber cords and twines.....	20% ad valorem (Reduced from 40% ad valorem in agreement with Netherlands, effective 2/1/36).	20% ad valorem...	20	180	312	426	348
1111.....	Blankets, and similar articles, if hand-woven: *							
	Valued at not more than \$1 per pound.	30¢ per lb. and 36% ad valorem (Bound in United Kingdom agreement, effective 1/1/39).	20¢ per lb. and 20% ad valorem.	82	1	(*)	1	(*)
	Valued at more than \$1 but not more than \$1.50 per pound.	33¢ per lb. and 36% ad valorem (Reduced from 33¢ per lb. and 37½% ad valorem in agreement with United Kingdom, effective 1/1/39).	20¢ per lb. and 20% ad valorem.	61	(*)	(*)	(*)	(*)
	Valued at more than \$1.50 per pound.	40¢ per lb. and 36% ad valorem (Reduced from 40¢ per lb. and 40% ad valorem in agreement with United Kingdom, effective 1/1/39).	20¢ per lb. and 20% ad valorem.	59	(*)	(*)	(*)	(*)
1410.....	Books of foreign authorship.....	7½% ad valorem (Reduced from 15% ad valorem in agreement with the United Kingdom, effective 1/1/39).	7½% ad valorem..	7½	(*)	12	1,365	1,270
1504 (a).....	Hat braids of natural fiber (except straw or manila hemp) not bleached, dyed, colored or stained.	15% ad valorem.....	7½% ad valorem..	15	24	28	68	170
1504 (b) (5)...	Harvest hats.....	12½% ad valorem (Reduced from 25% ad valorem in agreement with Netherlands, effective 2/1/36).	12½% ad valorem..	12½	72	80	272	310
1516.....	Wax matches *	40% ad valorem.....	20% ad valorem.....	40	(*)	(*)	2	
1530 (b) (1)...	Sole or belting leather.....	10% ad valorem (Reduced from 12½% ad valorem in agreement with United Kingdom, effective 1/1/39).	10% ad valorem.....	10	45	56	1,492	810
1530 (e).....	Huaraches *	20% ad valorem.....	10% ad valorem.....	20	282	291	282	290
	Slippers (for housewear).....	20% ad valorem.....	10% ad valorem.....	20	4	7	24	30
1530 (e).....	Men's, youths', and boys' boots, shoes or other footwear of leather (except turn or turned McKay-sewed, or welt). *	20% ad valorem.....	10% ad valorem.....	20	75	58	153	80
1551.....	Motion-picture film:							
	Negatives:							
	Exposed but not developed.....	2¢ per lin. ft.....	1¢ per lin. ft.....	17	4	1	56	10
	Exposed and developed.....	3¢ per lin. ft.....	1½¢ per lin. ft.....	43	1	(*)	22	10
	Positives, prints or duplicates.....	1¢ per lin. ft.....	½¢ per lin. ft.....	23	26	18	368	260

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
555.....	Waste, n. s. p. f.....	7½% ad valorem (Reduced from 10% ad valorem in agreement with Canada, effective 1/1/39; and bound against increase in agreement with United Kingdom, effective 1/1/39).	7½% ad valorem..	7½	40	43	977	704
558.....	Dressed istle or Tampico fiber ..	20% ad valorem.....	10% ad valorem.....	20	134	118	134	118
601.....	Sulphuric acid or oil of vitriol.....	Free (Bound in Canadian agreements, effective 1/1/36 and 1/1/39).	Bound free.....		11	11	27	35
602.....	Jalap.....	Free.....	Bound free.....		4	21	4	21
606 (a).....	Bulls and cows, for breeding.....	Free (Bound in Canadian agreement, effective 1/1/39; subject to the provisions of paragraph 1606).	Bound free (subject to the provisions of paragraph 1606).		6	36	941	1,388
608.....	Antimony ore.....	Free.....	Bound free.....		676	1,065	1,132	2,028
614.....	Arsenious acid or white arsenic.....	Free.....	Bound free.....		378	393	562	453
618.....	Bananas.....	Free (Bound in Haiti agreement, effective 6/13/35; subsequently bound in agreements with Honduras, Colombia, Guatemala, Costa Rica and Ecuador).	Bound free.....		6,310	2,954	29,083	29,085
622.....	Binding twine.....	Free.....	Bound free.....		244	477	2,421	1,840
624.....	Fish sounds.....	Free.....	Bound free.....		8	2	22	17
654.....	Coffee.....	Free (Bound in Haiti agreement, effective 6/3/35; and subsequently in agreements with Brazil, Honduras, Colombia, Guatemala, El Salvador, Costa Rica, Ecuador, Venezuela, and Peru).	Bound free.....		4,670	3,808	139,546	126,771
664.....	Metallic mineral substances n.s.p.f.....	Free.....	Bound free.....		-	844	175	1,021
669.....	Fish livers.....	Free (Bound in Canadian agreement, effective 1/1/39).	Bound free.....		11	49	1,718	2,462
678.....	Sharkskins.....	Free.....	Bound free.....		22	12	79	56
682.....	Live game animals and birds, for stocking purposes.....	Free.....	Bound free.....		25	34	70	43
684.....	Henequen, istle or Tampico fiber, and broom root.....	Free.....	Bound free.....		4,193	4,570	9,353	12,598
685.....	Guano.....	Free (Bound in United Kingdom agreement, effective 1/1/39; subsequently bound in Peru agreement, effective 7/20/42).	Bound free.....		2	12	212	17
685.....	Manures.....	Free (Bound in United Kingdom agreement, effective 1/1/39; subsequently bound in Venezuela agreement, effective 12/16/39).	Bound free.....		1	4	56	26
685.....	Fish scrap and fish meal for fertilizers.....	Free (Bound in United Kingdom agreement, effective 1/1/39).	Bound free.....		13	11	467	311

See footnotes at end of table, pp. 1082-1083.

TABLE B Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II) Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
1686.....	Chicle, crude.....	Free.....	Bound free.....		3,820	3,192	5,151	4,239
1695.....	Horses or mules for slaughter.....	Free.....	Bound free.....		17	12	17	12
1697.....	Guayule rubber.....	Free.....	Bound free.....		463	758	463	758
1710 (Sec. 3422 I. R. C.)	Liquid petroleum asphaltum.....	Free plus 1/2¢ per gal. import tax.	Free plus 1/4¢ per gal. import tax.			178		178
1728.....	Sarsaparilla root.....	Free (Bound in Honduras agreement, effective 3/2/36).	Bound free.....		8	14	9	15
1731.....	Distilled or essential oils: Lime.....	Free (Bound in United Kingdom agreement, effective 1/1/39).	Bound free.....		63	137	405	531
1733 (Sec. 3422 and 3451 I. R. C.).	Linaloe or bois de rose.....	Free.....	Bound free.....		3	57	299	417
	Oils, mineral: Petroleum, crude and fuel oil Petroleum, crude ^{bb} Within quota.....	Free plus 1/4¢ per gal. import tax. (Reduced from 1/2¢ per gal. in Venezuela agreement, effective 12/16/39. Reduction applies to imports equal to 5% of the total quantity processed in domestic refineries in the preceding year).	Free plus 1/4¢ per gal. import tax.	13	(^{cc})	848	(^{cc})	23,125
	Full-duty imports.....	Free plus 1/2¢ per gal. (Bound in Venezuela agreement, effective 12/16/39, applies to imports in excess of 5% of the total quantity processed in domestic refineries in the preceding year).	Free plus 1/4¢ per gal. import tax.	31	^{cc} 987	7,892	^{cc} 19,633	7,948
	For supplies of vessels (sec. 309).	Free (Bound in Venezuela agreement, effective 12/16/39).	Bound free.....	-	-	-	-	-
	Gas oil (including Diesel oil) and finished distillate fuel oil: ^{bb} Within quota.....	Free plus 1/4¢ per gal. import tax (Reduced from 1/2¢ per gal. import tax in Venezuela agreement, effective 12/16/39, reduction applies to imports equal to 5% of the total quantity processed in domestic refineries in the preceding year).	Free plus 1/4¢ per gal. import tax.	-	-	803	-	1,013
	Full-duty imports.....	Free plus 1/2¢ per gal. import tax (Bound in Venezuela agreement, effective 12/16/39; applies to imports if in excess of 5% of the total quantity processed in domestic refineries in the preceding year).	Free plus 1/4¢ per gal. import tax.	¹ 11	-	2,561	211	2,561
	For supplies of vessels (sec. 309).	Free (Bound in United Kingdom agreement, effective 1/1/39; subsequently bound in Venezuela agreement).	Bound free.....	-	-	-	-	53

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from--			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
1733 Sec. 3422 and 3451 I.R.C.) —Cont.	Oils, minerals—Cont. Petroleum, crude and fuel oil— Cont. Residual fuel oil Within quota.....	Free plus ¼¢ per gal. import tax (Reduced from ½¢ per gal. import tax in Vene- zuela agreement, effective 12/13/39. Reduction ap- plies to imports equal to 5% of the total quantity processed in domestic re- fineries in the preceding year).	Free plus ¼¢ per gal. import tax	15	-	408	(cc)	15,951
	Full-duty imports.....	Free plus ¼¢ per gal. import tax (Bound in Venezuela agreement, effective 12/16/- 39; applies to imports if in excess of 5% of the total quantity processed in do- mestic refineries in the pre- ceding year).	Free plus ¼¢ per gal. import tax.	33	71	354	cc 1,527	789
	For supplies of vessels (sec. 309).	Free (Bound in United King- dom agreement, effective 1/1/39; subsequently bound in Venezuela agreement).	Bound free.....	-	29	5	8,725	6,442
	Topped crude Within quota.....	Free plus ¼¢ per gal. import tax (Reduced from ½¢ per gal. import tax in Vene- zuela agreement, effective 12/16/39; reduction applies to imports equal to 5% of the total quantity process- ed in domestic refineries in the preceding year).	Free plus ¼¢ per gal. import tax.	16	-	-	dd 162	4,111
	Full-duty imports.....	Free plus ½¢ per gal. import tax (Bound in Venezuela agreement, effective 12/16/- 39; applies to imports in excess of 5% of the total quantity processed in do- mestic refineries in the preceding year).	Free plus ¼¢ per gal. import tax.	-	n.a.	-	n.a.	248
	For supplies of vessels (sec. 309).	Free (Bound in United Kingdom agreement, effective 12/16/39; and sub- sequently bound in Vene- zuela agreement).	Bound free.....	-	-	-	-	-
	Kerosene.....	Free plus ½¢ per gal. import tax.	Free plus ¼¢ per gal. import tax.	-	-	318	-	318
	For supplies of vessels (sec. 309).	Free (Bound in United Kingdom agreement, ef- fective 1/1/39).	Bound free.....	-	-	-	-	-
743.....	Plaster rock and gypsum, crude....	Free (Bound in Canadian agreements, effective 1/1/36 and 1/1/39).	Bound free.....	-	53	29	1,174	1,300

See footnotes at end of table, pp. 1082-1083.

TABLE B—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE II)—Continued

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
1761.....	Spiny lobsters "	Free.....	Bound free.....		124	122	491	601
1761.....	Shrimps and prawns.....	Free.....	Bound free.....		226	361	260	385
1761.....	Abalone "	Free.....	Bound free.....		375	281	375	281
1765.....	Reptile skins.....	Free (Bound in Netherlands agreement, effective 2/1/36; subsequently bound in agreements with Colom- bia, Costa Rica, El Salva- dor, Ecuador, Venezuela, and Peru).	Bound free.....		134	119	274	510
1768(1).....	Pimento (allspice).....	Free (Bound in United Kingdom agreement, ef- fective 1/1/39).	Bound free.....		12	60	321	326
1768 (2).....	Anise seed.....	Free.....	Bound free.....		20	14	56	52
1775.....	Rottenstone, tripoli, and sand "	Free (Bound in Canadian agreement, effective 1/1/39).	Bound free.....		(*)	3	82	91
1796.....	Candelilla wax.....	Free.....	Bound free.....		420	770	420	770
1802.....	Wood charcoal.....	Free.....	Bound free.....		12	15	44	45
1803 (2).....	Mahogany, in the log.....	Free (Bound in Brazil agree- ment, effective 1/1/36; sub- sequently bound in agree- ments with Guatemala, Costa Rica, United King- dom and Peru).	Bound free.....		127	169	1,737	1,985
1803 (2).....	Spanish cedar, in the log.....	Free (Bound in Brazil agree- ment, effective 1/1/36; sub- sequently bound in agree- ments with Guatemala, Costa Rica and Peru).	Bound free.....		75	20	109	61
1803(2).....	Primavera, in the log.....	Free (Bound in Brazil agree- ment, effective 1/1/36; sub- sequently bound in agree- ments with Guatemala and Costa Rica).	Bound free.....		31	25	124	81

Footnotes to table B

* Statistics represent imports of "acids and acid hydrides, n.e.s." from Mexico and Netherlands West Indies, presumed to be naphthenic acids.

† Taxable at $\frac{1}{2}$ ¢ per gallon (Sec. 3422 I.R.C.) if a liquid derivative of petroleum.

‡ Less than \$500.

§ Earthenware, crockery ware, etc., wholly of clay is not reported separately. Statistics represent imports from Mexico, of all earthenware, crockery ware, etc., presumed to be wholly of clay.

¶ Bubble glass is not classified separately. Statistics are for imports under Paragraph 218 (f) from Mexico only and presumed to be bubble glass.

‡ Statistics shown represent imports under the classification "marble, onyx, and breccia" from Mexico and Argentina which are known to be onyx.

* Imports entered free under Sec. 312 of the Tariff Act of 1930 for manufacture in bond and export amounted to \$3,638 from Mexico and \$34,192 from all countries in 1939.

† Does not include bonded imports entered free under Sec. 312 of the Tariff Act of 1930 for smelting, refining, and export as follows:

	Mexico	All countries
Lead-bearing ores, fine dust, etc.		
1939.....	\$558,350	\$1,338,749
1940.....	16,087	182,398
Bullion or base bullion		
1939.....	4,144,022	4,227,790
1940.....	785,558	844,273
Reclaimed scrap, etc.		
1939.....	0	76,809
1940.....	0	36,540

Footnotes to table B—Continued.

¹ Does not include bonded imports entered free under Sec. 312 of the Tariff Act of 1930 for smelting, refining, and export as follows:

	Mexico	All countries
Zinc-bearing ores except pyrites, etc.		
1939.....	\$186,495	\$305,888
1940.....	1,045,111	1,746,391
In blocks, pigs or slabs		
1939.....	1,723	14,719
1940.....	0	0
Zinc dross and skimmings		
1939.....	0	3,224
1940.....	0	45,043

² Not applicable to flooring.

³ Includes imports of sugar box shooks.

⁴ Duties on imports into the Virgin Islands of the United States not included in calculation.

⁵ Not classified separately. Statistics represent imports from Mexico only under classification "Other fish, fresh or frozen, whole or beheaded, etc."

⁶ Not classified separately. Statistics represent imports of "Other dried and unsalted fish" from Mexico only which are presumed to be shark fins.

⁷ Exclusive of imports from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930, amounting to \$1,800.

⁸ Statistics represent imports for calendar years.

⁹ Exclusive of imports from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930, amounting to \$38,600 in 1939, and \$61,129 in 1940.

¹⁰ Statistics for "all countries" represent total imports of sisal cordage and imports from Mexico of cordage of hard fiber other than sisal; excludes imports of sisal cordage smaller than $\frac{3}{4}$ inch in diameter, from the Philippine Islands free under Sec. 301 of the Tariff Act of 1930, amounting to \$41,200 in 1939, and \$67,100 in 1940.

¹¹ Hand-woven blankets, etc., are not classified separately. Statistics represent imports from Mexico only of blankets and similar articles, presumed to be hand woven.

¹² Exclusive of imports amounting to \$62,600 from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930.

¹³ Statistics represent imports of "wax and wind matches and matches in books or folders".

¹⁴ Huaraches are not reported separately. Statistics represent imports from Mexico only, of women's, misses', children's and infants' leather boots and shoes, presumed to be huaraches.

¹⁵ Statistics may include some huaraches for men, youths, and boys.

¹⁶ Does not include imports from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930, amounting to \$25,000.

¹⁷ Does not include imports from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930, amounting to \$65,000 in 1939; and \$67,000 in 1940.

¹⁸ Dressed istle and Tampico fiber is not reported separately. Statistics represent imports from Mexico only of "Articles manufactured in whole or in part".

¹⁹ Includes imports of sisal, if any, which are bound free of duty in the agreements with Haiti, the Netherlands, and United Kingdom.

²⁰ Statistics do not include imports for manufacture in bond entered free under Sec. 311 of the Tariff Act of 1930 as follows:

	Mexico	All countries
Crude petroleum		
1939.....	\$2,342,641	\$3,718,924
1940.....	0	1,074,384
Gas oil (including Diesel oil) and distillate fuel oil		
1939.....	0	558,196
1940.....	0	1,327,907

²¹ Some imports included in the figure for full-duty imports, entered within the quota at the reduced rate of duty on or after December 16, 1939 when the trade agreement with Venezuela became effective.

²² For the period December 16 through 31.

²³ Statistics represent imports of "Lobsters (including spiny lobsters and crawfish)—not canned", excluding imports from Canada and Newfoundland, known to be other than spiny lobsters.

²⁴ Statistics represent imports of "Shellfish, n.s.p. 1." from Mexico only, known to consist largely if not entirely of abalone.

²⁵ Statistics include imports of diatomaceous earth.

TABLE C

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE III)

NOTE: Existing rates of duty on imports of products enumerated and described in Schedule III may be restored by the United States, in whole or in part, on six months' written notice to the Government of Mexico, at any time after termination of the unlimited national emergency proclaimed May 27, 1941, but may not be increased during the life of the agreement. Except as otherwise noted import data do not include imports free of duty under special provisions of the Tariff Act of 1930, or imports from Cuba subject to preferential reductions.

Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val before agreement (percent) (basis 1939 imports)	United States imports for consumption (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
202 (a)	Earthen floor and wall tiles, (except ceramic mosaic tiles, quarries or quarry tiles, and tiles of cement): Valued at not more than 40 cents per square foot. Valued at more than 40 cents per square foot: Glazed clay----- Other-----	10¢ per sq. ft., but not less than 50% nor more than 70% ad valorem. 26¢ per sq. ft., but not less than 30% nor more than 60% ad valorem (reduced from 60% ad valorem in agreement with United Kingdom, effective 1/1/39). 60% ad valorem-----	5¢ per sq. ft. but not less than 25% nor more than 35% ad valorem. 30% ad valorem----- 30% ad valorem-----	57 45 60	1 (a) —	1 1 —	8 7 (a)	 (a)
217	Glass bottles, vials, jars, ampoules, unfilled: If holding more than 1 pint----- If holding not more than 1 pint and not less than one fourth of 1 pint. If holding less than one fourth of 1 pint.	1¢ per lb----- 1½¢ per lb----- 50¢ per gross-----	½¢ per lb----- ¾¢ per lb----- 25¢ per gross-----	13 22 36	— (a) —	— (a) (a)	19 5 37	1 1
397	Articles or wares, n.s.p.f. of silver-----	50% ad valorem (reduced from 65% ad valorem in agreement with United Kingdom, effective 1/1/39).	32½% ad valorem-----	50	7	5	268	20
411	Baskets-----	50% ad valorem-----	25% ad valorem-----	50	16	20	476	40
412	Bentwood furniture-----	42½% ad valorem (reduced from 47½% ad valorem by President's proclamation effective 7/24/31).	22% ad valorem-----	42½	—	2	280	7
718(a)	Tuna, prepared or preserved-----	45% ad valorem (increased from 30% ad valorem by President's proclamation effective 1/13/34).	22½% ad valorem-----	45	20	23	1,490	1,09
730	Vegetable oilcake and oilcake meal, n.s.p.f. Coconut or copra----- Cottonseed----- Soybean-----	 ¾¢ per lb----- ¾¢ per lb----- ¾¢ per lb-----	 ½¢ per lb----- ½¢ per lb----- ½¢ per lb-----	 26 30 22	 47 95 —	 26 205 93	 47 95 341	 2 80 37

TABLE C—Continued

ITEMIZED LIST OF TARIFF CONCESSIONS MADE TO MEXICO (SCHEDULE III)—Continued

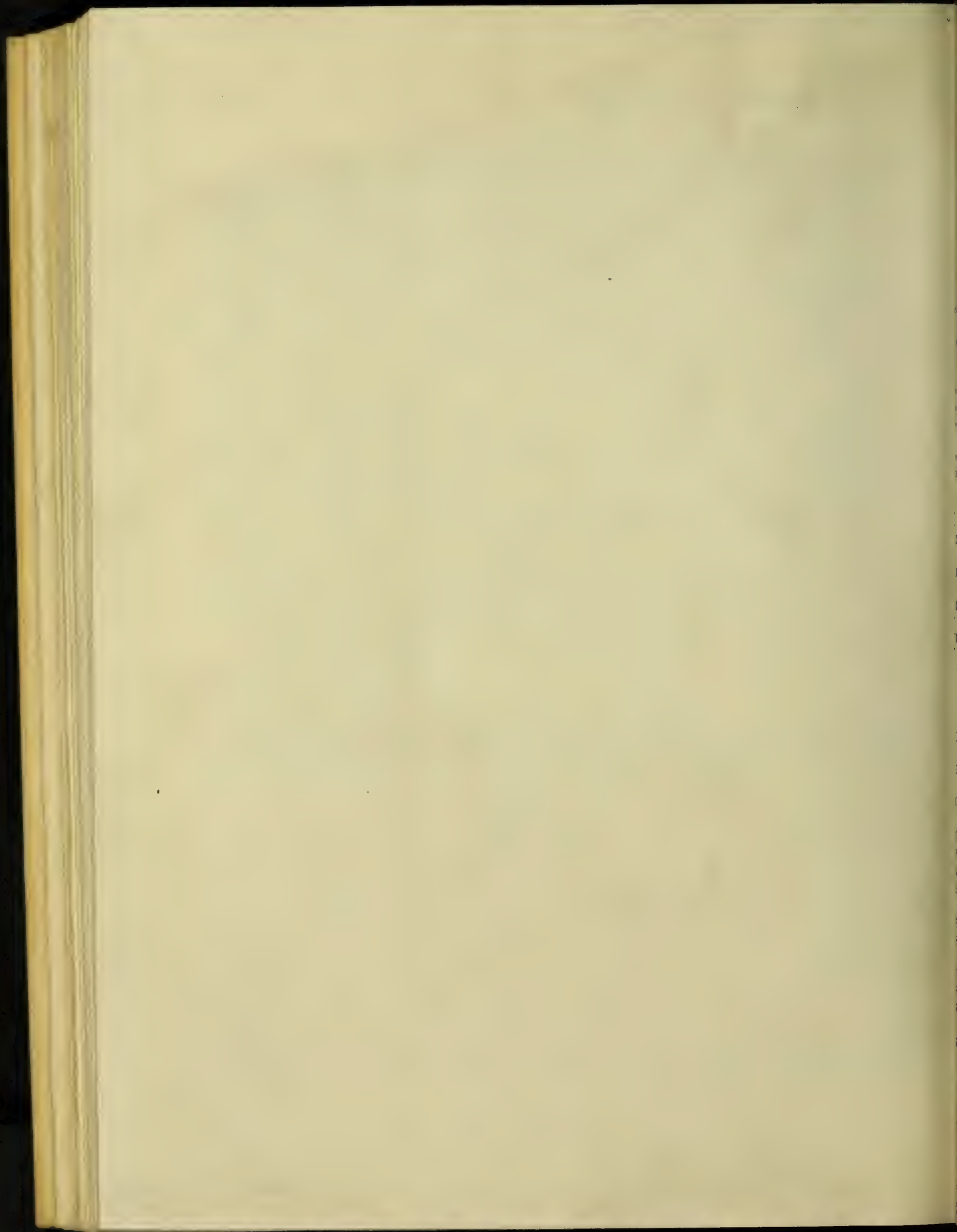
Paragraph number in Tariff Act of 1930	Item (abbreviated description)	Rate of duty		Ad val. before agree- ment (percent) (basis 1939 imports)	United States imports for consump- tion (in thousands of dollars) from—			
		Before agreement	After agreement		Mexico		All countries	
					1939	1940	1939	1940
747-----	Pineapples, prepared or preserved: Full-duty imports-----	1½¢ per lb. (reduced from 2¢ per lb. in the United King- dom agreement, effective 1/1/39).	1¢ per lb-----	43	-	-	4 633	4 854
	Imports from Cuba-----	¾¢ (net) per lb. (reduced from 1¼¢ (net) per lb. in Cuba agreement, effective 9/3/34).	¾¢ (net) per lb---	14	-	-	680	821
1513-----	Dolls and doll clothing: Containing lace or embroidery---	90% ad valorem-----	45% ad valorem---	90	(°)	(°)	16	9
	Other (except of celluloid)-----	70% ad valorem-----	35% ad valorem---	70	1	(°)	135	107
1513-----	Toys, of china or earthenware---	70% ad valorem-----	35% ad valorem---	70	1	1	118	140
1527 (a) (2)---	Jewelry, other than of gold or plati- num: Valued above 20 cents but not above \$5 per dozen pieces.	1¢ each plus ¾¢ per doz. for each 1¢ the value exceeds 20¢ per doz. and 50% ad valorem.	½¢ each plus ¾¢ per doz. for each 1¢ the value exceeds 20¢ per doz. and 25% ad valorem.	110	(°)	(°)	98	68
	Valued above \$5 per dozen pieces---	¾¢ each plus ¾¢ per doz. for each 1¢ the value exceeds 20¢ per doz., and 25% ad valorem (reduced from 1¢ each plus ¾¢ per doz., for each 1¢ the value exceeds 20¢ per doz., and 50% ad valorem, in agreement with France, effective 6/15/36).	½¢ each plus ¾¢ per doz. for each 1¢ the value ex- ceeds 20¢ per doz. and 25% ad va- lorem.	65	4	4	220	165

° Less than \$500.

° Exclusive of imports from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930, amounting to \$178,000 in 1939 and \$168,000 in 1940.

° Exclusive of imports from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930, amounting to \$971,000 in 1939 and \$1,189,000 in 1940.

° Exclusive of imports from the Philippine Islands, free under Sec. 301 of the Tariff Act of 1930, amounting to \$1,672,000 in 1939 and \$2,612,000 in 1940.



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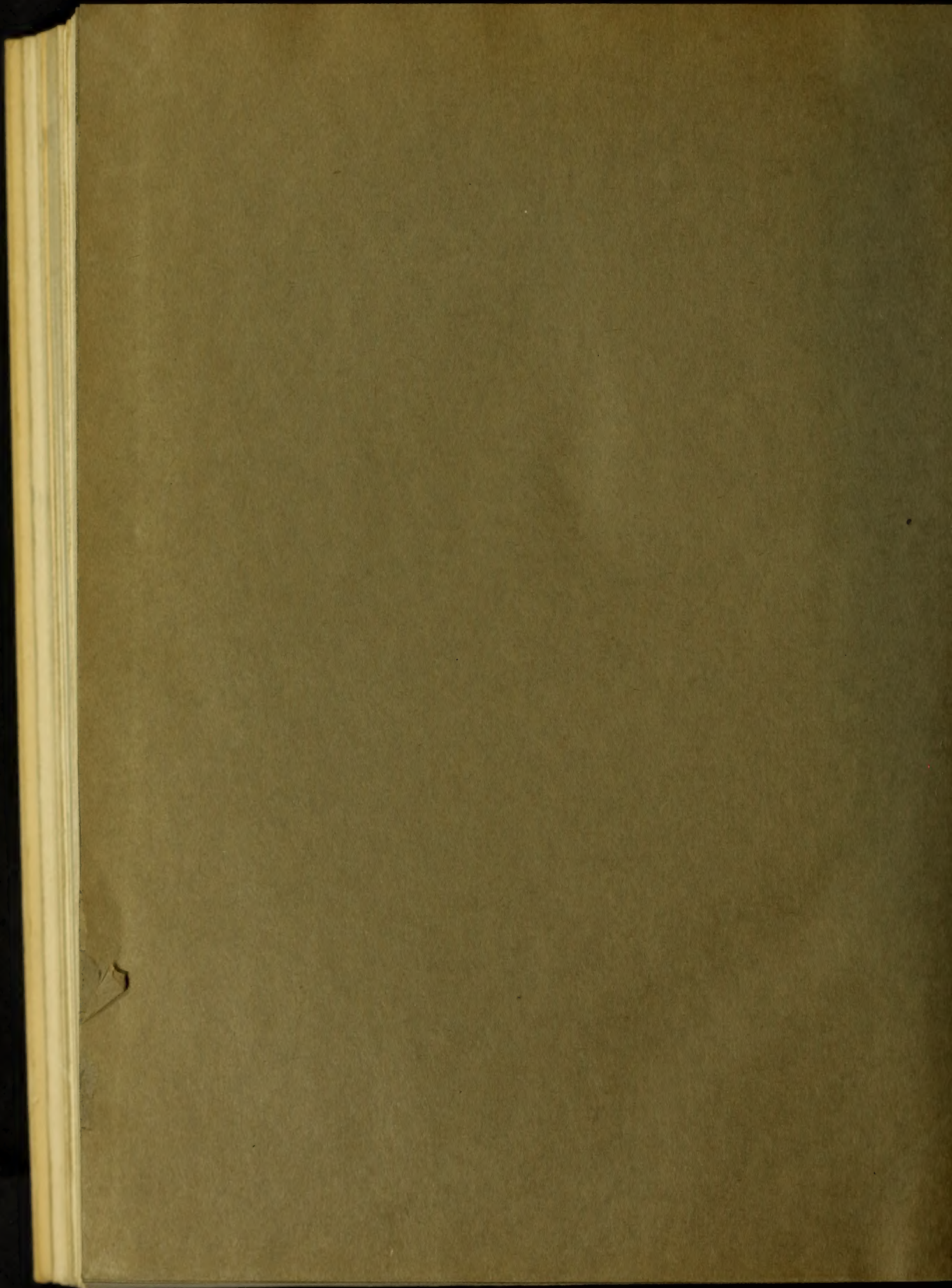
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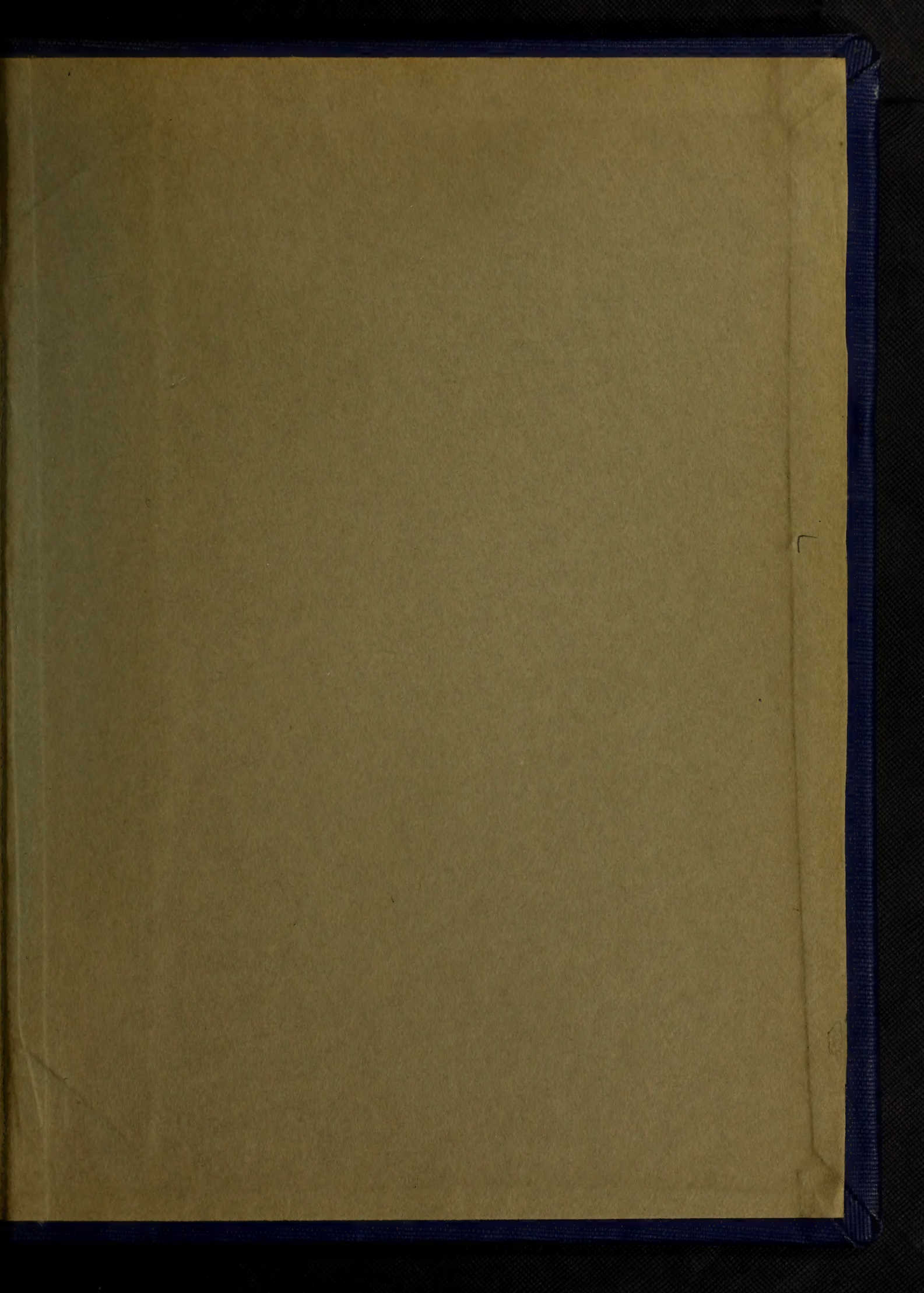
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